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Costa Rica's Niehaus: Gaviria May Withdraw From OAS Race

PY1403185394 Madrid EFE in Spanish 1534 GMT 14 Mar 94

[Text] Santiago de Chile, 14 Mar (EFE)—Costa Rican Foreign Minister Bernd Niehaus, a candidate for the OAS General Secretariat, has stressed that his most serious contender, Colombian President Cesar Gaviria, has been "ill advised." Niehaus believes Gaviria will probably withdraw his candidacy in the next few days.

In an interview published today in the newspaper LA NACION, Niehaus says: "He has eight votes and I do not know how he can allow himself, as an incumbent president, to be the subject of a fiasco."

Niehaus added: "Knowing him as a very serious and respected person, it would be logical for him to withdraw in favor of the majority candidacy."

Niehaus was asked about alleged U.S. pressure in favor of the Colombian president's candidacy. He stressed that these rumors persist, adding that the U.S. has exercised pressure, "which will increase."

He noted: "I did not even want to ask for evidence on this. I went to the United States to ask them not to apply pressure, for the sake of the OAS."

The OAS member countries will elect the new OAS secretary general on 27 March from among the current candidates: Bernd Niehaus, Cesar Gaviria, and Venezuelan Foreign Minister Miguel Angel Burelli.

Niehaus told the journalists who attended President Eduardo Frei's inauguration in Chile that for 40 years the OAS has been controlled by large countries and the time has come for small countries to run it.

Niehaus said: "We strongly asked to be allowed to participate because there should be no first- or second-rate states in the Inter-American system." He added that his candidacy is not just Costa Rican, it is regional.

Niehaus confirmed that he has 22 well-documented votes from Central America, the Caribbean, and three South American countries, including Chile, a country that has confirmed its support for him.

In the Chilean morning newspaper interview, the Costa Rican foreign minister confirmed his confidence that he will be victorious and announced that he would politically revitalize the OAS.

Chilean Elected New Head of Drug Committee

PY1103230894 Madrid EFE in Spanish 2135 GMT 10 Mar 94

[Excerpt] Buenos Aires, 10 Mar (EFE)—Gustavo Villalobos Sepulveda, executive secretary of the Chilean National Congress for Drug Control [Congreso Nacional para el Control de Estupefacientes de Chile], was today elected new president of the Inter-American Committee for the Control of Drugs and Drug Abuse (Cicad).

Villalobos, who will replace the Costa Rican Monica Berger, will be aided by Panamanian Attorney General Jorge Ramon Valdez.

The new Cicad president was elected to this post during the 15th Cicad Congress that began on 8 March in Mar del Plata, 800 km south of Buenos Aires. The congress will end 11 March. [passage omitted]

Cuba

Preliminary Food Accord Signed With Colombia

PA1303045694 Madrid EFE in Spanish 1755 GMT 10 Mar 94

[Text] Santa Fe de Bogota, 10 Mar (EFE)—Colombian Agriculture Minister Jose Antonio Ocampo has said Colombia will sell rice, African palm oil, pork, poultry, and grain to Cuba in keeping with a preliminary agreement signed between both countries.

Colombia and Cuba also agreed in February that Colombia would sell 20,000 barrels of oil per day to the island, a fact that has provoked protests from opponents of Cuban President Fidel Castro's regime.

The preliminary agreements for food sales were the result of Colombian Deputy Agriculture Minister Santiago Perry's visit to Havana. Perry has said Cuba will design and build a pilot plant for the production of biological control measures in Colombia. Likewise, a joint project will be developed to obtain banana strains resistant to Black Sigatoka via genetic engineering techniques, and research will be conducted to combat the white fly, which attacks vegetables.

Colombian Agriculture Minister Jose Antonio Ocampo will travel to Havana shortly to ratify the agreements.

Signs of Economic Reactivation Outlined

FL1503013894 Havana Radio Rebelde Network in Spanish 1700 GMT 14 Mar 94

["Straight Talk" Program with host Carlos Santana Ojeda and guest Osvaldo Rodriguez from weekly JUVENTUD REBELDE—live]

[Text] [Santana] Osvaldo, are there indications of an economic recovery, and if so, in which sectors are these indications emerging at this moment?

[Rodriguez] Well, first I want to tell you, Carlos, that "Straight Talk" has already made some predictions for this year, 1994, for the beginning of the year, to be exact. On making those predictions, we said that this year, 1994, was the year when some symptoms of economic recovery would be emerging. They would be modest symptoms, as you said, but recovery after all.

At this moment we cannot yet talk about economic reactivation. I think we can only talk about symptoms of economic reactivation, because so far some areas which have been declining, [words indistinct] of the Steelworking Industry [SIME] which in 1993 announced that it managed to stop its decline, and even managed to pick up somewhat. But this shows that compared to 1992 there is a recovery.

Let us consider tourism. Tourism is today the most stable sector of our economy. It is a sector that has been growing on a yearly basis with net and gross income. I also think that tourism is having a domino effect on the rest of the economy. Why? Well, because the tourism industry demands a number of resources that the country itself can supply. Today these resources are sought abroad. This forces the Cuban economy to divert its merchandise toward tourism.

I was also talking about the steelworking industry. This industry has strong investments dedicated exclusively to tourism. But not only the steelworking industry. Agriculture must also seek strong investments and sufficient production in order to meet all the needs of tourism, and in addition to this, there must be other services such as laundering, dry cleaning, water supply systems, electricity lines, etc. All these things ensure that the gross tourism income is redistributed among the rest of the economy.

[Santana] Does this mean that you see tourism as the sector that is showing signs of reactivation?

[Rodriguez] Well, tourism in itself is a sector where....

[Santana, interrupting] I am asking this question, Osvaldo, because I would not mention tourism as a sector of reactivation, but as a fully consolidated branch.

[Rodriguez] Well, both things. It is a branch that is consolidating itself. But in relation to the national economy, growing tourism is a sign of economic reactivation because it is only a sector, which together with petroleum, has been expanding all these past years, including these recent crisis years. I am happy to remember the case of petroleum because I have almost forgotten the efforts made by the petroleum workers. The fact that our country extracted 100,000 tons of petroleum last year is another symptom of the economy's reactivation. But this year, the work being carried out with some foreign companies, namely through the so-called risk contracts, must also begin yielding results. Nothing has been announced so far, but they have been working for a little more than a year looking for petroleum.

[Santana] Suppose we have to make an anlysis of those sectors—which do you think is most responsible for that economic reactivation, or at least, which do you think is the most important?

[Rodriguez] Well, unquestionably, the sugar industry is the most important of all. But the most representative of economic reactivation, as I said before, is tourism. I have explained the reasons for this, and I am now going to explain why the sugar industry is the most important.

The sugar industry is what has always maintained the Cuban economy, what has yielded the most important fruits, both for the current foreign trade structure and for the previous structure, when the socialist bloc was still in effect, when our most important sales to the world market, including to the CEMA market, had been by the sugar industry. The sugar industry, seen in its broadest sense, produces not only sugar, but also alcohol,

molasses, other byproducts such as bagasse; now the medicines, the cattle feed, and many other products resulting from the sugar industry.

But today, we are facing an energy crisis. In addition to the great crisis, energy or the lack of petroleum, is what has led us to this profound crisis. Cane has therefore also become our petroleum. I think, therefore, that we must be careful when dealing with the sugar industry, because the future of Cuba must be the sugar industry future. Cuba cannot dream of a future that is not the sugar industry. Even though we might find a large petroleum deposit, sugar will always be the source of all the things I have mentioned.

[Santana] Yes, sugarcane is considered the economic activity that can help us most under the current circumstances. However, is this hope justified?

[Rodriguez] Of course. There is the sugarcane recovery program. We have to keep in mind that our fields have been highly exploited, which makes the soil lose its fertility. It is therefore necessary to fertilize the land used for sugarcane. The lack of fertilizer, first, and the lack of herbicides, second, have resulted in a significant drop in sugarcane production. This hope is justified because we are very seriously working in the recovery program. Today, the main goal of the Basic Cooperative Production Units [UBPC's] is to restore sugarcane production to former levels.

Whenever sugarcane production is restored, the harvest will of course regain its rate, which had been stabilized at the 8-ton mark. We have to return to that level of harvest.

[Santana] You also spoke of the steelworking industry. I am still not clear. You spoke about this industry in light of the importance of production of equipment for other industries?

[Rodriguez] For other industries.... [pauses] The steelworking industry is capable of building mills, and also many other types of equipment. It is capable of manufacturing pumps. Significant investments are being made. This industry puts out a considerable amount of electricity and telephone cables. It is also a great provider of spare parts. It is a tremendous producer of steels, not only carbon steels, but also stainless steel, which is now produced in Cuba. I believe that the potential of this industry, which has taken years to shape—this is not something done overnight—is marked by the specialization of its workers, technicians, and engineers. This allows us to use this industry to develop the country and also as a source of exports.

[Santana] Once again on tourism: I understand that Cuban tourism has performed favorably in terms of international marketing in recent months. Is this true? What do you know about it?

[Rodriguez] Yes, I have read about this issue. I believe it is very interesting that Cuba is already being seen extensively by tourists in the Caribbean Basin. It is predicted that by the end of the century, the Caribbean will be the world's top spot for tourism. Cuba is not competing with many Caribbean islands today. There are very small Caribbean islands—perhaps slightly larger than the Isle of Youth—that welcome 1 million tourists. We are beginning to develop. We began tourism late. We must remember that it is difficult to reduce that distance. Of course, we must keep the U.S. blockade in mind. The greatest number of cruise ships in the Caribbean and around Cuba, transporting approximately 8 million tourists, are based in Miami. These are American businesses. The blockade bans all those ships, although they skirt every Cuban coast without touching Cuban ports. This, undoubtedly, affects us seriously. I believe that despite this, tourism is arriving. We have many European, particularly German and Canadian, [as heard] tourists. Latin American tourism is also beginning to increase. I believe that this will fulfill those predictions that Cuba will welcome 1 million tourists.

[Santana] In what measure is this reactivation the result of the opening to certain foreign capital investments on one hand, and on the other, the result of the increase in our productivity and quality, in the economic effort based on efficiency and controls?

[Rodriguez] I believe it is a combination of all these things. The foreign capital investment has allowed us, first of all, to access markets, access technologies and capital. This is the case with tourism. We said that tourism is one of the model industries of this reactivation. Foreign capital not only forms part of the tourism industry, it also plays a role in reactivating other important industries within Cuba. I believe this has played a role. Undoubtedly, the increased awareness of Cuban workers—better yet, the collectives—of the need to perform more efficiently, work better, and even come to believe that the products must be consumed immediately and not be produced to be stored away, and with poor quality, becoming aware of all these things has resulted in higher efficiency, which today cannot yet be seen in any plans because the Cuban economy has just completed the process of decline.

[Santana] How can we guarantee the soundness of that reactivation being experienced?

[Rodriguez] First of all, we have to consolidate the Cuban economy on the basis of our national structures—to defend what is ours, to advocate the best possible use of our resources, and learn to work with high levels of efficiency, economizing, and using true economic controls. There is no need to think that a foreigner is needed to teach this to us. I believe we have foreigners here teaching us very interesting things, but we can also make our own contributions because when you speak with workers, they know quite well what needs to be done.

[Santana] We have discussed macroeconomic issues. When will the reactivation be felt at home?

[Rodriguez] First of all, in terms of nutrition, I believe this is the first thing that the people are expecting. We speak of symptoms, and even some comrades have smiled and said: Symptoms! With the needs we have today!

I have had to explain that the economic reactivation has to take place before the domestic part of the economy will feel the reactivation. The first problem at home is food. I believe we have to solve this first. In what measure can this be solved? Well, this is perhaps a subject for another program.

Secondly, we need to satisfy a variety of primary needs because this crisis has resulted in the lack of many things. We could make an endless list of household items we need to provide. These are perhaps not vital for tackling tomorrow, but are vital to the life of any civilized individual today.

Journalists Discuss Underground Economy

FL1203003394 Havana Radio Rebelde Network in Spanish 1700 GMT 10 Mar 94

["Straight Talk" Program with host Juan Carlos Roque Garcia and guest Osvaldo Rodriguez from JUVENTUD REBELDE—live]

[Text] [Roque] Osvaldo Rodriguez from JUVENTUD REBELDE is with us again today because last week we left our subject unfinished. We were discussing the underground economy, or the submerged economy, as it is also called. I think there are many people with doubts, and surely this program seeks to clear up some of those doubts and explain some of these trends. I was talking with an economics student about this program. She did have the opportunity to listen. She said she was rather surprised over your definition of this matter as an underground economy, or black market, which are not the same. One is implicit in the other, but they are not the same. I also think this was the reason for an analysis of other subjects related to this issue.

[Rodriguez] I can give you an additional definition: It is also called an informal economy in other countries, namely in Latin America. This submerged economy can be defined as an aspect of the economics that are affecting Cuba at this moment.

[Roque] Yes, and in the previous program we said that this is not a problem in Cuba alone, but is a problem affecting all societies. Also that it comes from a capitalist society.

[Rodriguez] Of course.

[Roque] This problem is a derivative of capitalist society, and today this activity is at its peak in Latin American economies. To define it, I was saying that transactions of goods and services that are not officially authorized can be either legal or illegal. Here is where some confusion can emerge concerning the black market versus the underground economy. The black market can be part of the underground economy, but it is not the only thing within the underground economy.

Recently, in a program when my friend Renato Recio was present, we were discussing the cigarette issue. We were saying that a large number of people are assigned certain allocations of cigarettes. One of the proposals submitted today in the parliament is that in work places we should to try eliminate these allocations. Well, according to a recent study conducted by a group of friends from the Research Institute to which I had access, they reached the conclusion that only 40 percent of the people who receive normal and controlled allocations of cigarettes are in fact smokers. The rest—well, some of these allocations go to the family, but others use them to sell in the underground economy. This is the example I was giving the other day, because if I, a nonsmoker, receive cigarettes that are assigned to my house and I submit them to the informal economy, either by selling or bartering them, it is neither an illegal, nor a black-market activity. It is informal economics, nonofficial economics. Of course, this situation does not affect the economy as much as the black market because the black market is within the underground economy. Well, to make it clearer, let me tell you this: If I exchange one of my cigarette packs for a bag of rice, it is not black market.

[Rodriguez] No, it is not black market, it is underground economy; and if you sell that box of cigarettes, as usually happens, at black-market price, it is not black market. It is underground economy, but it does have an effect. The same thing happens with those people who do not drink, but who sell their rum at black-market prices.

[Roque] We are talking about the underground economy. Osvaldo, why has this term emerged, and why has this phenomenon occurred in the world economy?

[Rodriguez] First, let us begin with why it emerged in Cuba. It was the shortage in state supplies to the population that enlarged and consolidated this type of economy, which we can call underground or informal economy. Undoubtedly, it is nourished by excess currency that is not backed by goods. That is its origin. I wish to point out that this existed or coexisted before, with financial stability, when there were undoubtedly deficiencies in the official market of products that were in great demand. We could talk about shoes, for example.

[Roque] Yes, I believe that having discussed here the concepts of black-market and underground economies, we can see that it is not a phenomenon that has only now emerged, but as you said, it existed in parallel with the stability of certain years. I can remember that in the eighties—I call this period the golden decade because we were very stable, especially with food products—there were some products that were also sold on the street in that way. It was not a black market, but you needed to go

to this underground economy to satisfy the need for products that you could not find on the official market.

[Rodriguez] Yes, this study I was talking about makes an interesting point: During the period of financial stability, the population's expenses in the underground economy did not exceed 20 percent.

I would also like to answer the other part of your question on how it emerged. I am sure that in your trips to Mexico you have seen the illicit street vendors. This underground economy is more prominent in Latin America and underdeveloped countries. It is the economy of immigrants in developed countries.

[Roque] These people do not pay taxes. That is probably one of the main things that make it an underground economy: It is not controlled by the state.

[Rodriguez] Right, they are not officially authorized.

[Roque] There it has its beginnings. Here in Cuba it has a different beginning.

[Rodriguez] Here it has other causes. Necessity is what drives this economy. The main difference between the presence of an underground economy in that market economy and in our economy is that over there they compete below official prices.

[Roque] And the necessities are different.

[Rodriguez] Yes, of course. Here it is the speculators who use the black market to try to get rich or to try to live better than the average citizen.

[Roque] Something that stands out is that over there, it is the complete opposite. There they lower the prices. In other words, their prices are lower than those of the state.

[Rodriguez] Inside that economy, there is also a black market because many of the products that are sold at lower prices are stolen, or are products that are smuggled into the country. They therefore are not charged customs or taxes, and have a shady origin.

[Roque] Let us talk about our problem. How can we resolve this situation—do away with the underground economy? We know that the main factor is production. We must stabilize production levels in general. Without goods to back the excess currency circulating on the streets... [pauses] everything is connected here. Everything is related to the other. People must accept this information and these explanations in order to understand the concepts of the economy.

[Rodriguez] I think you are right. We must first increase our production, as you said before, but we must also remember that the official market will take some time to change. There is a group of needs, especially services. The underground economy involves not only the sale of goods, it also includes the sale of services. That too forms part of the underground economy. It is going to take some time to be able to solve that.

[Roque] And in this case of services, can the tax system help, or contribute toward putting an end to this phenomenon?

[Rodriguez] Well, if it is organized, it can. We cannot say that self-employed workers are part of the underground economy because they are authorized and licensed by the state. They pay taxes to the state and are authorized to produce and market their product in determined places. They are not the problem. The problem is those who do this illegally. It is those persons who provide services or who sell their products illegally. We cannot always call things illegal, because there are times when there is no law, as in the example we mentioned of selling something from our house. There is no law that prohibits me from selling something from my house and there is no law that imposes a tax on that sale. There are countries where that does exist. Any transaction between two people requires a tax to the state because it is a business transaction.

[Roque] We are talking about the underground economy. I must admit that this is a topic I do not know much about since I am not an economist; but at the same time, I am very interested, as are many of the listeners.

[Rodriguez] I am not an economist either, but I have read some material that I have received and I believe it is an interesting subject because it is a passionate subject. It is something we are currently living.

[Roque] Let us look at this study that was conducted. I can see that we are concerned about this problem. We are at least studying the phenomenon and looking for ways or alternatives for its solution.

[Rodriguez] Yes, this study has a series of proposals that we could leave for another program, because they are interesting proposals.

[Roque] We are going to have to call them Underground Economy One, Underground Economy Two, and present a series of programs....

[Rodriguez, interrupting] ... and proposals for solutions to the underground economy. These researchers point out something very interesting: They say that everytime there is a structural imbalance between supply and demand, there will be economic space for the underground economy, which is created through the redistribution of income. Of course, we are talking about the Cuban phenomenon. We are not talking about the underground economy of other places where the prices are below those of the official market. We are talking about our situation. We must remember that people go to the underground economy to improve the structure of consumption, due to deficiencies in the assortment and existence of products from the state supply. People also go to the underground economy in cases when they have excess income, to try to increase satisfaction of their needs. These are the reasons why people go to this underground economy. Just recently, this was discussed on a Straight Talk program.

For the most objective analysis of our current situation, the financial imbalance, we must look at the merchandise, not the money. Money keeps accruing because there is a lack of goods. As soon as these goods begin to appear, and these measures that we are all waiting for are applied to balance our domestic economy, the problems of this underground economy will also be solved. As these products we are all hoping to produce begin appearing, we start to hope that one day we will have the money to buy them. As the excess currency begins disappearing, the black-market prices will not be as high as those that the worker must pay with their salaries.

[Roque] At least there can be an end to this black market. Is it the same for the underground economy, or is it a phenomenon that will be with us for many years to come?

[Rodriguez] I believe that when the economy is stabilized and there is a balance between supply and demand, or when supply is slightly higher than demand—when that happens, and it happens in any economy because there is always a supply facing the flow of currency—I believe, because I am realistic, that what is happening in other countries will happen—an underground economy will exist and will be below the official market. I do not think it will disappear.

[Roque] The most important thing now is to keep producing, to gradually restore the value of our money, and to achieve market stability, as you said, so that people will feel relieved.

[Rodriguez] Yes. I believe this relief will be experienced after a given period—following the implementation of measures—not immediately. We have said several times on this program that measures cannot be considered a magic wand to yield immediate results in the economy. All economies have a delayed, not an immediate effect, unless drastic shock measures are adopted such as changing the monetary system.

[Roque] Yes. Well, I thank you for your participation in this program. Of course, I invite you to comment again on part three of The Underground Economy.

Robaina Reflects on First Phase of Asian Tour

FL1503030194 Havana Radio Rebelde Network in Spanish 0000 GMT 15 Mar 94

[Report by correspondent Rey Rodriguez]

[Text] On 14 March, Foreign Minister Roberto Robaina left en route to Phnom Penh, Cambodia, the third stop on his Asian tour, following a busy agenda in Myanmar.

In Phnom Penh, Robaina will meet with the president of the National Assembly and the prime minister of the Kingdom of Cambodia. This is the first official visit to Cambodia by a high-level official of the Cuban Government following the return to peace and stability in that nation.

In an exclusive interview with Radio Rebelde, Robaina spoke about the first phase of his Asian trip.

[Begin Robaina recording] Nowadays, we cannot speak of a worldwide diplomatic offensive that excludes such important regions. When we speak of important regions, we cannot forget this region, which is immensely wealthy, but which, in addition to that, has experienced a significant economic boom in recent years.

I believe that Cuba is in need today of many points of view. Cuba has many needs and these needs are possibilities for investment for many people. Undoubtedly, many of our needs represent opportunities for investment by countries in this region.

There is an undisputed economic boom in these countries that we need to analyze. We need to do this to see what works, what is truly adaptable to our circumstances. This is why I think we need to talk about this region. I believe that knocking on such doors as those of Indonesia, Malaysia, and India are venues, alternatives, and possibilities for work and exchanges under new game rules—we are talking mutual exchange.

I do not want anyone to think that Cuba is going around asking for a handout. Cuba has many needs, but also many things it can offer the world and this region. I have found here great interest in possibilities, great willingness to open exchange possibilities in areas such as health, medicine, biotechnology, and sports—as odd as it sounds.

There are many things that have resulted from our social investments that are of interest here, but have not been successful here. [end recording]

After Cambodia, Robaina will visit India, Malaysia, and Vietnam—the last leg of his seven-country Asian tour.

Views Cooperation Prospects

FL1403162694 Havana Radio Reloj Network in Spanish 1500 GMT 14 Mar 94

[Text] Cuban Foreign Minister Roberto Robaina has said that our country wants to increase cooperation and trade with other countries in order to be adequately reincorporated into the new international economic context, with the advantage that, notwithstanding its setbacks, Cuba also has things to offer.

In his tour of Asian countries, Robaina said that economic and trade prospects with Indonesia are very promising and that the two countries are also interested in strengthening the Nonaligned Movement.

Robaina added: During our visit to Bangkok we met with Thai Foreign Minister Prasong Sunsiri. The meeting allowed us to study formulas to increase our economic ties. Our next visits to Asia will seek the same objective.

Cuba is open to all forms of cooperation and, despite the U.S. pressure through the blockade, is day by day demonstrating its capacity to resist and its determination to succeed, Robaina concluded.

Raul Castro Greets Ciego de Avila EJT Brigade

FL1503020894 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 15 Mar 94

[Excerpts] In Ciego de Avila, the first Youth Labor Army [EJT] brigade to cut 1 million arrobas of sugarcane in Cuba has received a letter of congratulations from Army General Raul Castro.

The average age of the brigade members is barely 18 years. However, they have been capable of the labor feat of cutting 1 million arrobas in slightly less than 60 workdays. This result places them at the head of the EJT forces participating in the sugarcane harvest and is a repeat of last year's success. [passage omitted]

They have once again raised high their battalion flag—the 531st—of the Batalla del Ubero Camp in Venezuela Municipality. The brigade members were happy to receive the letter of congratulations from Army Gen. Raul Castro for being an outstanding unit. [passage omitted]

Minfar Directorate Chief Views Recruitment Progress

FL1403160594 Havana Radio Rebelde Network in Spanish 1255 GMT 14 Mar 94

[Text] The Armed Forces organization and personnel directorate [direccion de organizacion y personal de las Fuerzas Armadas Revolucionarias] has held its annual meeting. Concerning the important issue of recruiting, we interviewed Colonel Jorge Romero Alonso, chief of the Minfar [Ministry of the Revolutionary Armed Forces] directorate:

[Begin Romero Alonso recording] The most significant aspect concerning recruitment is that, in comparison with 1992 and despite the situation in our country, we have achieved some progress. For example, recruitment this year was 1-percent higher and of better quality. We have had a better approach to problems affecting personnel, giving better treatment to the men.

This means that, notwithstanding the tense situation, people have increased their contribution of that which we already have: the love of work, the dedication, and the care that have characterized our workers.

This year we have had to make a tremendous effort concerning recruitment. We had to create a division here in Havana to work 44 percent of the province's arable land. Today we have almost 6,000 men. This was not included in any plan; it was done because of the emergency situation in the country.

This will help increase citrus production on the Isle of Youth, under the Giron victory plan, and tobacco production in Pinar del Rio. Thus, the growth of the EJT [Youth Labor Army] has been considerable in helping meet all transportation needs without causing any problems whatsoever for the personnel. [end recording]

Lawyers Request Parliamentary Approval of Amnesty

PA1503015294 Madrid EFE in Spanish 2334 GMT 11 Mar 94

[Text] Havana, 11 Mar (EFE)—A group of 26 Cuban lawyers today requested approval by the People's Government National Assembly [ANPP] (parliament) of a "broad amnesty" to "help alleviate social tensions."

In a note delivered today to the press and signed by this group of lawyers who say they represent various ideas, the group states the request was made on 24 February in a letter addressed to the ANPP deputies who on that date had served one year since the time of their election.

The amnesty request includes prisoners for crimes "against state security" or for illegal departures or entries, those imprisoned for being a "menace to society," and those officials penalized while exercising their duties in office.

The lawyers state that in 35 years of the revolution, there has never been an amnesty, "even though it is included in Cuban legislation." The lawyers also say many of the individuals who will probably attend the conference with the Cuban community abroad, which the government has scheduled for April, "left the island where they were born for the same reasons why the others are imprisoned today."

The lawyers' letter concludes: "We are not moved by political passion or ideological stands, rather, by the purpose of helping alleviate social tensions of the fatherland with the resources of our profession and your solidarity."

Haiti

Chamber Vice President: Senate 'Serious Obstacle'

FL1403210994 Port-au-Prince Signal FM Radio in French 1130 GMT 14 Mar 94

[Excerpt] According to the vice president of the Chamber of Deputies, Deputy Yves Pericles Beauge, the Senate of the Republic is a serious obstacle to any resolution of the crisis. In an interview with Signal FM, Beauge acknowledged that the Senate will need to play a dominant role in achieving a way out of the crisis. He says a modus operandi must be developed to keep the nation from bearing the brunt of divergences among senators.

[Begin recording, in Creole] If the situation in the Senate remains as it is— already a great handicap—it will continue to prevent a resolution because any and all decisions, even if President Aristide consents to the plan, require that the Senate take certain steps that fall within the scope of its responsibilities. [passage omitted] [end recording]

Brutus: Institutions Must Respect Electoral Legitimacy

FL1403211194 Port-au-Prince Signal FM Radio in French 1130 GMT 14 Mar 94

[Excerpt] The president of the Socialist Democratic Bloc in the chamber, Deputy Pierre Duly Brutus, told Signal FM that the country's institutions must agree to respect the principle of electoral legitimacy regardless of the personal motivations of President Aristide and General Raoul Cedras. Brutus also said that he applauds the fact that the National Front for Change and Democracy has understood the necessity of taking concrete action to get the country out of its rut. [passage omitted]

Dupiton Praises Balaguer Condemnation of Embargo

FL1403211294 Port-au-Prince Signal FM Radio in French 1130 GMT 14 Mar 94

[Text] Senator Thomas Eddy Dupiton is delighted about the statements by Dominican President Joaquin Balaguer condemning the embargo against Haiti. The Artibonite representative, who has no use for a possible reinforcement of the sanctions, terms the statements by the Dominican president as sensible, explaining that an end must be put to the sufferings of the Haitian people.

[Begin recording, in Creole] [Dupiton] It is the first sensible statement we have heard since we began hearing official comments on the Haitian issue. I can only congratulate Joaquin Balaguer because the misery of the people must truly end. I agree 100 percent, and congratulate Joaquin Balaguer because I am also very sensitive to the misery of my brothers.

[Journalist Jean Luckenson] The UN Security Council is thinking about a possible reinforcement of economic sanctions against Haiti within about 15 days. What is your opinion on that score?

[Dupiton] That is something that concerns the UN Security Council.

[Luckenson] What actions will you set in motion in parliament?

[Dupiton] It is when we.... [pauses] I can give my opinion on such a thing. The only thing is that we would like the people to realize that they have harmed the country enough. [end recording]

The Artibonite representative was answering Jean Luckenson's questions.

National Mobilization Committee Members Elected

FL1503002994 Port-au-Prince Signal FM Radio in French 1130 GMT 14 Mar 94

[Text] A council called the Initiatives Committee [Comite d'Initiatives] was formed on 12 March at the Visa Lodge Hotel. The purpose of this committee is to analyze the current situation and come up with proposals for a way out of the crisis. The committee includes the following: Jacques Saint-Louis, former deputy under President Leslie Francois Manigat; Emmanuel Menard; and Hubert de Ronceray, leader of the Mobilization for National Development.

Those who participated agree that it is imperative that a harmonious way out of the crisis be found, based on the dominant theme of national reconciliation. To that end, a committee called the Coordinating Committee for National Mobilization was elected, including Professor Gregoire Eugene, leader of the Haitian Social Christian Party; Joseph Willio Noailles; Jacques Saint-Louis; Max Antoine, Jr.; Gabriel Augustin, leader of the Assembly of Democrats for the Republic; Jean-Auguste Bellerice; Dieudonne Laroche; Cyprien Cicier; and Daniel Narcisse, leader of the Federated Party of the Liaison of Democratic Forces.

This committee will be in charge of coordinating with the various political parties, organizations, and authorities, working both in Haiti and abroad, steps aimed at mobilizing the vital forces of the nation and reviving in Haitians a sense of duty toward the common homeland. The goal of this initiative is concerted action in the broadest sense, for a lasting solution to the crisis. The Initiatives Committee, which sponsored this meeting, makes a point of thanking those who participated in it and congratulating members elected to the head of this committee, wishing them productive work.

This was signed by Jacques Saint-Louis of the Initiatives Committee.

ACP To 'Work Without Respite' To Resolve Senate Crisis

FL1403220894 Port-au-Prince Radio Metropole in French 1145 GMT 14 Mar 94

[Text] The situation remains unchanged in the Senate of the Republic, with a conflict between the two groups of senators who are vying for the Senate office. It should be noted that a meeting of the members of the Alliance for Parliamentary Cohesion [ACP] was held on 11 March. The Alliance is attempting to mend its own divisions. On 11 March, the members and dissidents of this parliamentary bloc held their meeting in the Diplomatic Room of the Legislative Palace.

In a communique issued after the meeting, the members of the Alliance asserted that they had made a commitment to refrain from making any statements likely to undermine the moral integrity of any member of the

bloc. They agreed to work without respite to find a solution acceptable to all parties involved in the crisis in the Senate as soon as possible. They also asserted that only the president of the Alliance, Senator Dejean Belizaire, elected in the contested 18 January 1993 elections, could engage the Alliance in news briefings.

This is an update of the situation in the Senate, a situation of conflict in which the U.S. Embassy also took a stand in choosing to back the camp of Sen. Firmin Jean-Louis. The U.S. Embassy spokesman, Stanley Scharger, has encouraged the Haitian legislators and those elected on 18 January to respect the New York pact while awaiting the decision of an arbitration committee.

Anti-Aristide Front Prepares To Fill 'Power Vacuum'

FL1403220994 Port-au-Prince Radio Metropole in French 1700 GMT 14 Mar 94

[Text] A political forum took place at the Vista Lodge on 11 March with the participation of political parties and organizations opposed to the return to Haiti of President Aristide. These organizations revealed their intention to form a political front to fill the current power vacuum. Discussions were held on the formation of an ad hoc government or a government of public safety. Following this meeting on 11 March, a nine-member committee in charge of preparing a resolution was established.

Employers Groups Urge Senators To 'Regain Control'

FL1403221194 Port-au-Prince Radio Metropole in French 1700 GMT 14 Mar 94

[Text] Haitian employers associations are urging the senators to regain control of themselves and quickly put an end to their quarrel. They ask that they resume acting with wisdom, maturity, and patriotism to extract the country from this destructive mess into which it sinks a little more deeply each day.

PRI's Colosio Urges Legislative, Judicial Reform

PA1403224494 Mexico City XEW Television Network in Spanish 0430 GMT 12 Mar 94

[From the "24 Hours" newscast]

[Text] Luis Donaldo Colosio, PRI [Institutional Revolutionary Party] presidential candidate, said on 11 March the Legislative and Judicial Branches must be reformed to ensure a better balance in the ongoings of the country.

[Begin Colosio recording] Our Legislative Branch must be reformed not only to establish more and better laws to protect citizens, but also to exert social and political controls over the Executive Branch. [end recording]

He said an excessive concentration of power has led us to commit abuses in Mexico, adding this is why it is time to implement a policy with a human touch. Colosio made these statements at a meeting with 800 Rotary Club members in Mexico City. His wife, Diana Laura Riojas, also spoke at the event. She said the strengthening of family ties must be a permanent governmental duty. She also talked about disabled people.

[Begin Riojas recording] We reject all forms of discrimination within society. We are determined to find solutions to the disabled's demands for education, employment, health services, recreation, and culture. [end recording]

Colosio continued his campaign in Mexico City and talked to PRI members from four electoral districts in Atzcapotzalco, where he commented on PRI members' duties.

He added competitiveness and pluralism are being promoted within the PRI to ensure it becomes the nation's political force. Colosio met with members of the Mexican-Lebanese community during the afternoon of 11 March. He stressed the importance of the Lebanese community in Mexico's development. He said his objective is to achieve an economy that offers investors certainty and clear-cut guidelines.

Costa Rica

Foreign Minister-Designate Outlines New Policy

PA1203042394 Panama City ACAN in Spanish 1427 GMT 9 Mar 94

[By Juan Ramon Rojas]

[Text] San Jose, 9 Mar (ACAN-EFE)—Strengthening relations with the United States, a greater rapprochement with Central and South American countries, and a vigorous effort to incorporate Costa Rica into world commerce will guide foreign policy during the new social democratic government to be inaugurated on 8 May.

Foreign Minister-designate Fernando Naranjo has said Costa Rican foreign policy will play a more dynamic and expedient role in promoting trade and attracting investments, as well as in seeking to overcome the differences that have marked ties with Washington during the current government.

"We want our officials to play a very important role abroad, and to that effect we are proposing every mission have a specific work program we will evaluate periodically," Naranjo told ACAN-EFE shortly after his appointment was announced.

Naranjo, a 51-year-old economist, former finance minister, and adviser of several regional countries, said with this work "one is not trying to supplant" his foreign commerce colleague, Jose Rossi, "rather, to get our missions to do a good commercial work."

The future foreign minister has said he will seek to further ties with Central America, as he is convinced a small country such as Costa Rica "can only have an impact on economic relations if it works closely with the other regional countries." In addition to Central America, Naranjo has said he will also pay special attention to relations with Chile, Colombia, and Venezuelan, nations with which Costa Rica "has many commercial possibilities" in view of the increase in exchange that has been registered in the past years.

Naranjo has said his country's incorporation into the North American Free Trade Agreement, signed by Canada, the United States, and Mexico, "will be vital," which is why "we need good representations in Washington, Ottawa, and Mexico City."

After three years of negotiations, Costa Rica and Mexico agreed to sign a free trade agreement that will become effective in January of next year and will allow, according to projections, a rapid increase of commercial exchange and investments between the two countries. Along these lines, he said the other aspect on which he will focus his attention is the delegation to be named in Geneva (Switzerland, GATT headquarters).

"We are going to place a great deal of stress on all of this," Naranjo has said. He flew to Chile today to accompany President-elect Jose Maria Figueres to attend the inauguration of Eduardo Frei. This is Figueres' first trip outside the country since he won the elections on 6 February.

The future foreign minister also said "it is no secret" relations with Washington have cooled over demands by U.S. labor unions and lawsuits filed regarding expropriations made in the past 20 years.

"The United States has been complaining we are not paying attention to a series of problems that are not major, although, as a whole, they cause problems," and he admitted that during Figueres' visit to Washington in April they hope to have "very frank" conversations to agree on what "we must do to improve those relations."

"What is true is in today's world of strategic alliances we cannot fight with our friends," the economist has warned.

Naranjo has said Costa Rica has had a "longstanding" friendship with Washington, and it is not fair that "minor problems should be causing major differences."

The future foreign minister, who will replace Bernd Niehaus on 8 May, said another area of action will be promoting human rights, the democratic system, and civilian rule, as "Costa Rica has traditionally been doing."

In this respect, he announced creation of the Foreign Cooperation Agency for Human Development [Agencia de Cooperacion Exterior para el Desarrollo Humano], which will have the double function of coordinating the assistance Costa Rica receives and funneling this country's cooperation to other nations.

"Costa Rica can play a very different role in the future of many Central American nations and the Caribbean with this cooperation agency," for which it hopes to also have the support of "friendly countries," Naranjo has said.

El Salvador

Arena Candidates for Office Discuss Issues

PA1503000594 San Salvador LA PRENSA GRAFICA in Spanish 10 Mar 94 p 8

[Interview with Armando Calderon Sol and Enrique Borgo Bustamante, Nationalist Republican Alliance candidates for president and vice president, respectively, by unidentified LA PRENSA GRAFICA reporter; place and date not given]

[Text] [LA PRENSA GRAFICA] How do you view other political parties' proposals vis-a-vis yours when we are virtually a week away from the elections?

[Calderon] Arena [Nationalist Republican Alliance] has had a coherent proposal for a long time, even during the difficult period when communist and Marxist ideas were popular in Latin America. Our party has always presented a clear proposal, since its birth. It has made an

economic proposal in defense of individual rights, the market economy, private property, and, particularly, the state of law.

Now we see that opposition candidates are planning to present a similar program, although they lack the credibility necessary to do so. However, we have noticed a change in their language, and that has changed the campaign: it has made it more pragmatic, it is using a similar language, by which all can picture the social problems.

What I see is a greater awareness among all sectors regarding the country's social problems. I believe it is the product of the war experience per se. The fact that all Salvadorans have a clearer vision of the social problems has made possible that all programs better target social welfare.

[LA PRENSA GRAFICA] What does your campaign's concept of Arena being the new socially aware right mean?

[Calderon] What we mean is that Arena represents the right with social consciousness, a right that faces social problems with courage. It is not socialist, corporate, or Marxist ideas, but ideas founded on a true Christian humanism that make up the contemporary world, and turn man into a being of solidarity. The philosophy of the new right is that profound. There cannot be true economic development if we do not involve social welfare, human progress.

Here is the success of the new right in the world: it is opening possibilities, leaving behind populist and socialist ideas and positions that gave leaders a demagogic vocabulary, and that led Latin America to poverty in the past decades. This new right is causing countries to reemerge with new positions, sustained economic growth, and facing social problems, reducing poverty levels, and boosting economic indicators.

[LA PRENSA GRAFICA] And now that you have been touring the country and getting in touch with the national situation, how would you summarize the social offers your government is proposing?

[Borgo] We are very satisfied with the expressions of civic awareness and education Salvadorans have given. Past experience shows us that people strongly believe in democracy.

These opportunities and discussions with the people promote high participation. We believe that Salvadorans are receptive regarding compliance with the law and the state of law. People respond favorably when they hear us talk about the need to stop violence, respect the laws and life.

Regarding our program, the economic aspect has been the best publicized. Regarding the social aspect, we have received very positive feedback when people hear that we want to work in education, health, and the environment, among other areas.

Education is the tool needed so that people can aspire for opportunities to grow. We have absolute trust in education because it constitutes the key to the country's progress. We plan to broaden such programs as Educo and Sabe, which began during President Cristiani's term.

The loss experienced in the area of education during the war period was enormous: almost 700 schools were closed and over 150,000 children could not attend. We are determined 100 percent to make education and physical reconstruction our main concern.

[LA PRENSA GRAFICA] What proposals are necessary to achieve a type of economic and social welfare in which people can actively participate?

[Borgo] We see the need to increase foreign currency in the country. Family remittances are a fragile source of funds that might decrease, and even if current levels are maintained, we can expect to see a decrease in international aid.

We are trying to promote the export of nontraditional products, and we want to broaden our prospects for tourism.

If we might draw something positive from a negative experience, it would be that the 10-year war put us on the world map. In turn, we might be able to take advantage of this, because we have many tourist attractions, the foremost of which is our people. Salvadorans are pleasant and willing to help. We can be very successful at promoting tourism.

Another major initiative will be to get Salvadorans abroad to invest here. We are trying to create a program with investment tools that can be joined by people who receive family allowances.

These two ideas are important. We have been working on these projects for a long time. When the director of the World Tourism Organization visited, we were able to get all of the political parties to commit themselves to developing the tourism industry.

So far, we have outlined four pillars of this development program.

[LA PRENSA GRAFICA] Recently, the Salvadoran Foundation for Economic and Social Development [Fusades] presented an economic program that was reportedly open to all political parties. Is there any similarity between this program and your plan?

[Borgo] What Fusades presented is a summary of a political strategy. It was explained that a number of studies comprised the basis of that summary. This package must be analyzed thoroughly, but we do agree that it necessarily concurs with the party's economic and social philosophy. Nevertheless, we believe it is very useful.

[LA PRENSA GRAFICA] What do you think, Dr. Calderon?

[Calderon] I believe it is a true contribution to El Salvador and that it fully corresponds with our party. We have somewhat of a similar philosophy with the people from Fusades. We must also recall that President Cristiani's program received significant input from Fusades. In a second government, there will also be continuity, because ours is not simply a five-year program.

The country is being rescued; Arena's program is not over, but just beginning. Our program is designed to achieve peace, progress, freedom, democracy, justice, and better living conditions for the country.

Now that we are heading toward an economic recovery, peace has helped guide the country toward reconstruction. We still have a long way to go before we reach the desired levels. We have always said that our program is not limited to five years; there is no way that it could be. This is why we hope people will reelect us on 20 March—to enable us to continue with our program.

[LA PRENSA GRAFICA] President Cristiani's government will go down in history as the government that achieved peace. Where will you lead your government if you win the elections?

[Calderon] I would like my government to be a government of reconstruction, not only a physical reconstruction, but also moral, cultural, and civic reconstruction. People should experience a renewal.

We believe we can strengthen the peace that has been achieved, bolster the democratic process, and fulfill the great goal of rebuilding the country structurally and morally.

Candidates Pledge To Respect Election Results

PA1403205494 San Salvador EL DIARIO DE HOY in Spanish 11 Mar 94 pp 4, 43

[Text] With the 20 March elections so close, the UN Observers for El Salvador (Onusal) summoned the seven presidential candidates to sign a document in which they pledge to respect the results. In this document the candidates reaffirm their condemnation of the use of violence as a political weapon and urge their followers to behave peacefully.

Signing the declaration were Armando Calderon Sol of Arena [Nationalist Republican Alliance], Rhina Escalante de Rey Prendes of MAC [Authentic Christian Movement], Edgardo Rodriguez of Solidarity, Roberto Marchesini on behalf of Roberto Escobar Garcia of the PCN [National Conciliation Party], Jorge Martinez of the Unity Movement, Fidel Chavez Mena of the Christian Democratic Party, and Ruben Zamora of the FMLN [Farabundo Marti National Liberation Front].

The "Presidential Candidates Declaration," reads:
1. "We reiterate our firm condemnation of the use of violence, chiefly as a political weapon, and urge our supporters to behave peacefully and calmly during the few days remaining in the campaign.
2. "We reiterate our faith in democracy and, therefore, respect the sovereign decision of citizens freely expressed at the polls.
3. "We pledge to respect and enforce all the Peace Agreements, since they constitute a solid base for the future progress of our nation.
4. "We urge all Salvadoran citizens to participate in the 20 March elections by going to the polls and casting their ballots freely for the candidates of their choice.
5. "We ask for strict compliance with the commitments signed in El Salvador's 14 departments among the political parties' representatives to conduct a lofty and respectful campaign. We reaffirm our joint declaration of 5 November 1993.

Afterward, Onusal chief Augusto Ramirez Ocampo said the latest incidents in the electoral campaign "are a normal thing as the electoral temperature rises." He urged the supporters of the different parties to remain calm.

Arena candidate Calderon Sol hoped all the candidates who signed the pact would abide by it out of respect for the Salvadoran people. He indicated his party has kept all the other agreements they signed, although others have not respected them. "I commend Mr. Ramirez Ocampo's initiative, and we are prepared to abide by them, although it is unfortunate that the traditional parties do not abide by what they signed," Rodriguez indicated.

Meanwhile, Ruben Zamora of the leftist coalition said he supported the pact. He also noted the campaign has been handled rather well, although he criticized some parties for conducting "a two-faced ad campaign, saying things they should not."

Presidential Candidates Hold Debate

PA1403174494 San Salvador Canal Doce Television in Spanish 1250 GMT 11 Mar 94

["First of three debates" among presidential candidates Rhina Escalante de Rey Prendes of the Authentic Christian Movement; Ruben Zamora of the Farabundo Marti National Liberation Front-Democratic Convergence; Fidel Chavez Mena of the Christian Democratic Party; Edgardo Rodriguez Eigenhart of the National Solidarity Movement; and Roberto Escobar Garcia of the National Coalition Party; hosted by Mauricio Funes; in the station studios in San Salvador; monitored in progress—live]

[Excerpts] [Funes]....we truly regret that not all political parties understand the reason for these debates, and I hope they will be willing to present the people with their solutions to the country's problems. The chairs of the two candidates who did not come to this debate are empty. We thank the parties and candidates who did understand the need to debate and openly discuss their plans.

Today we begin the first of three debates with this subject: economic measures of the next administration during the first 100 days in office.

Here today are Dr. Rhina Escalante de Rey Prendes, presidential candidate of the Authentic Christian Movement [MAC]; Dr. Ruben Zamora, presidential candidate of the Farabundo Marti National Liberation Front-Democratic Convergence [FMLN-CD] coalition; Dr. Fidel Chavez Mena, presidential candidate of the Christian Democratic Party [PDC]; Edgardo Rodriguez Eigenhart, presidential candidate of the National Solidarity Movement [MSN]; and Roberto Escobar Garcia, presidential candidate of the National Coalition Party [PCN]. We welcome you and thank you for responding to Canal Doce Television's invitation to debate and openly discuss your plans of action. To the two candidates who are not present here this morning, I hope you will watch the program and listen to the statements made here today.

The debate will be in three parts. During the first part of the program, each candidate will have five minutes to present his economic plan; that is, his economic plan for the first 100 days in office. The speaking order was decided prior to the program by a drawing. Poll results have no bearing on the order of the speakers. During the second and third parts of the program, the candidates will discuss and comment on the programs presented. We invite listeners to call the studio—the telephone number is 88-0309; it will be appearing on your screen—and ask any question you may have for the candidates.

Our first speaker will be FMLN-CD presidential candidate Ruben Zamora.

I do have one question for all the candidates. If you were to become president of the Republic, what economic measures would you implement during your first 100 days in office? How will you confront the country's economic problems. The voters believe that the country's biggest problems continue to be unemployment, inflation, and poverty, among others. You have five minutes to answer. [39-second break in reception]

[Zamora] ....that we sit down and draft a basic agenda for the country's economic development, establish what is and what will be the framework of this agreement, and decide on basic policies for investment, employment, and wages in El Salvador.

Second, and based on this agreement among the various sectors, I suggest a renegotiation of the conditions of the foreign debt. Based on the new boost we will give the country, I will approach the U.S. Government, the World Bank, and the IMF to discuss the terms of our foreign debt to ensure that our domestic social debt will not continue to grow. I will also talk to the U.S. Government about the situation of our fellow countrymen in the United States and ask that they not be declared illegal. I will attempt to show that my government recognizes the role of foreign countries, but I will also make it known that Salvadorans will make the final decisions.

The third main topic we will broach will be financial policy. I will not devaluate our currency, but I will meet with the Central American presidents [eight-second break in reception] and too indiscriminate for our national production. I will not nationalize banks. Banks will continue to remain in private hands, but we will immediately do two things: First, we will reduce the current difference between interest rates paid for assets and those charged for liabilities. The difference is too great and does not contribute to the reactivation of the economy. Second, we are going to confront and immediately solve the agrarian debt problem.

The fourth main measure to be implemented in the first 100 days in office is directed at unemployment. We are talking about [four-second break in reception] productive investment, especially for small and midsize producers, which are the two sectors that create the most jobs. We must also encourage foreign investment. For the past year I have been working on this with a group of U.S. investors who want to invest in our country. We are going to implement these types of actions. We are also going to ensure that state funds deposited in private banks will be used to promote development and job creation. That is the fourth measure I would implement.

The fifth measure is to confront this government's shortcomings in terms of the peace plans. We will solve the land problem that has not been solved. We will compensate former soldiers and national policemen with programs for their reintegration into the country's economic life. We are going to handle the problems faced by the war disabled from both sides. We will allocate the necessary funds to develop the institution that has been created for them.

Those are the first and most important measures we will adopt. In sum, I will prove during my first few months in office that we are going to make changes, but changes that reflect an intelligent combination of modifications and continuity.

[Funes] Dr. Zamora, you still have a minute. You have presented a concise plan for the first 100 days, but I would like to ask you another question. There is a real problem, the root of which is governing. The economic measures to be implemented in those first days also calls for a process of agreement among the various sectors, particularly the economic sectors. How will you accomplish this? You represent a coalition of leftist parties. One of the biggest doubts the various sectors have is whether the left is capable of achieving a modicum of understanding among the different groups in light of the country's current situation and whether the left is capable of governing.

[Zamora] If there was ever anyone in this country who worked toward an understanding [26-second break in reception]. [passage omitted]

[Funes] Thank you very much. According to the drawing, Edgardo Rodriguez Eigenhart, National Solidarity Movement [MSN] candidate, is next.

[Rodriguez] The MSN proposes several measures. The first is related to the structural adjustment program. We would request a meeting with the IMF and the Inter-American Development Bank [IDB] to adopt measures related to the problems caused by our country's structural adjustment. We are worried, because we know there are private meetings going on now between the World Bank, IDB, IMF, and the government to discuss a possible devaluation that would be implemented after the elections.

Second, we would seek international cooperation, especially for land transfer projects. We would seek international cooperation at a donors meeting to expedite the obtainment of financial resources of approximately $275 million, which are required to comply with this part of the peace agreements.

Third, we would seek a consolidation of budgets; that is, the merger of regular and special budgets under the sole control of the Finance Ministry instead of maintaining separate budgets, as is currently being done, because this could lead to corruption, inefficiency, or a mishandling of the nation's money.

Fourth are tax collection and fiscal evasion. We have noticed the Chamber of Commerce's statements regarding contraband. We would try to improve the fiscal collection mechanisms and enforce the law against fiscal evasion. This is pursuant to the call by the Salvadoran Chamber of Commerce and Industries to apply severe corrective measures to prevent contraband and apply the full force of the law against any official involved in contraband in our country. We all know there is much contraband that is not being combated at custom posts and border areas, because the government is not firmly committed to doing so.

Fifth, we would review interest rates; that is, review the financial system's interest rates to ensure they match the inflation rates which supposedly exist in our country and which are between 9 and 12 percent. The gap between active and passive rates is too wide, and we think they must have a coherent relationship with the national inflation rate.

In international trade, we will adopt a mechanism to promote the union of private enterprise and unions to take advantage of the SGP [Generalized System of Preferences] and the Caribbean Basin Initiative regarding investments and technology in order to prepare our country for achieving a future competitiveness within the North American Free Trade Agreement, NAFTA. This means we must strengthen El Salvador's international negotiation team with international law experts who can solve international legal problems concerning NAFTA's adoption and implementation. One of our priorities will obviously be to expedite the economic integration process at the regional level, particularly with the Central American economic market.

Another important measure for us is that the investment of family remittances should become a productive investment; in other words, we will design a financial system program that encourages the beneficiaries of family remittances to invest in the production sector, in mini and small enterprises, to help generate riches and distribute the economic surplus. We will establish consortiums between mini and small businessmen and big businessmen so these two sectors can integrate, through an exposure to business dynamism, to improve production and exports.

[Funes] Excuse me, Doctor. Only 30 seconds more, please.

[Rodriguez] We will strive to make a long-term strategic investment with the IDB and the World Bank for the recovery of the country's hydrographic basins, the reconversion of its industrial sector, the protection of its ecology, and the maintenance of its aquiferous strata. I conclude here, although three or four measures are still pending. I think we can discuss them later in the debate.

[Funes] Dr. Roberto Escobar Garcia, presidential candidate of the PCN [National Conciliation Party]. You have five minutes to outline what would be the first measures you would take. We are also defining a specific time for the adoption of decisions and for the implementation of these measures—we mean emergency measures—during the first 100 days in government. If you are elected, what would you do in the economic sector?

[Escobar Garcia] Thank you for the invitation, Mauricio. I believe the importance of this program derives from the ideas and specific measures we may provide to counter urgent problems, leaving middle- and long-term problems for a later date.

In this regard, we cannot concentrate on social and age composition, employment, consumer population, but we must look to the working public, because we all know work is a very serious problem. We are dealing here with a very important and delicate issue; that is why I met with my economic team led by my partner on the ticket, Mr. Marquesin, and we have discussed certain measures divided into three large groups.

The first measure refers to the recovery of the agriculture sector; the second refers to industrial recovery, the third to massive public works. Regarding the recovery of the agriculture sector, we believe we can start working fast on the fiber issue, such as cotton, [word indistinct], and sisal. We can also begin working on intensive cattle raising, particularly in the northeastern part of the country, and nontraditional products, particularly those being sold to the United States, such as watermelon and melon. We can also perhaps work on marine products.

Regarding industrial recovery, we will undoubtedly devote our attention to assembly plants, because they require smaller investments; in addition, the training of assembly plant workers is not really difficult. Furthermore, we will work to export those products we are more capable of exporting, such as pharmaceuticals and chemicals, which, at this time, rank third among Salvadoran

exports. Furthermore, in this area we will give special attention to the metalworking industry, which is even producing spare parts for national consumption.

Regarding the area of massive public works, we must pay immediate attention to roads, airport expansions, pier expansions, and large-scale constructions of schools. We believe these measures can be perfectly implemented in the first 100 days of government. Even though their effects may not be perceived immediately, the measures taken in a timely fashion upon assuming the government and even before would make it possible to resolve the immediate problem I stated at the beginning. [sentence as heard] The medium- and long- term measures will come later.

[Funes] Thank you, Doctor. To conclude this first round, Christian Democratic Party candidate Dr. Fidel Chavez Mena will now speak.

[Chavez Mena] Thanks, Mauricio. Congratulations on taking this initiative. We deplore the absence of Armando Calderon Sol, ARENA's [Nationalist Republican Alliance] official candidate. We think he is wrong to refuse to participate in the debate with the other candidates so the people can have a better idea of our respective views.

We believe there are three important aspects: Crime, lack of jobs, and price policy. I will split this five minutes into three blocks. First, measures to ensure governability. This is essential. We are convinced we are the only ones who can give this country a framework of governability, that we are the only ones capable of leading and carrying out a political and economic project according to the reality and the correlation of existing forces.

As soon as it is known we were the elected candidates for president and vice president, we intended to create a climate of confidence, which is essential for the business sector. Our model of social and market economy rests on entrepreneurs, who are the dynamic motor of economic activities. They must have the psychological element of confidence and security. Therefore, our first action will be to meet with the most representative entrepreneurial sectors to set the rules of the economic game and to say very clearly that our government will befriend entrepreneurs, and is willing to create, expand, and stimulate business. Then, within this concept of participation, we will immediately stimulate the creation of a national congress with delegates from the business and labor sectors as well as experts to discuss the economic strategy to be implemented during our government.

Third, we will reactivate the economic reorganization forum—this is essential in fulfilling the peace agreements—to present a national emergency plan for attaining a social truce in six months, during which time we will present our initiative to freeze the price of staples, establish a salary policy consistent with stability and the prevailing fiscal situation, and determine the measures to be immediately taken to combat poverty and the problems derived from structure adjustments. In addition, we intend to create a National Agricultural and Livestock Council to stimulate agriculture with the direct participation of the country's various agricultural sectors so they can define, stimulate, and supervise those policies.

Given the importance of Central American integration, it is necessary to create a commission to start negotiating Central American integration. Also, it is necessary to create a National Women's Association to incorporate women more effectively into productive activities. Mini-, small-, and medium-size enterprises, as well as agricultural sectors, will immediately be incorporated into the state institutions directly linked to their respective sectors. A very important criterion will be the gradual application of economic policies and the search for a consensus before establishing these economic policies.

Finally, we think it is very important to reach a basic political agreement among the country's political forces as a part of governability so this governability can allow for the stability and the security that the state needs.

The second block would consists of measures to begin resolving the most pressing economic problems. The first block deals with governability of the economy. Now for the second block. First, the immediate reactivation of the country's hospitals network. Essentially, this is a social subject, but, given its relationship to economic problems and the country's human problem, the existing hospitals and health centers network must be reactivated.

Second, we intend to create approximately 120,000 jobs in six months through productive basic infrastructure projects to be financed with the $465 million currently available, of which only 25 percent has been disbursed. We have appointed a group of experts so these projects, which are essentially productive and focused on the areas in conflict and where the most serious poverty exists, can be initiated immediately. We will be prepared to disburse at least $200 million. The government has been inept in handling these disbursements.

On the other hand, we plan to draft the 1995 budget, we plan to present a foreign cooperation policy on the subjects of ecology, drugs, migration, the problem of disbursements for production activities and the case of (?residents) in El Salvador. We propose to eliminate the value added tax on staple products, elements necessary for production, and raw material necessary for the pharmaceutical and other similar industries. [passage omitted]

[Escobar Garcia] We insist on the agricultural sector's recovery because, based on the government's experience in this area, we know it can be reactivated quickly. For example, when we talk about fiber and cotton, we are talking about a product produced the same year; in other words, foreign exchanges obtained with cotton exports are received immediately. Naturally, there will be some questions about the relation between cotton and the

environment, but that depends on production techniques and the number of manzanas used in El Salvador for this activity.

Therefore, when we talk about the recovery of the agricultural and livestock sector, we are talking about the country's northeastern region, which has been quite affected. During our visits to that area, Ocicala, Sesori, and other areas affected by the conflict, we have seen interest and it is possible to quickly develop the cattle industry almost immediately. Right now, when we tour those areas and review agricultural activities, we realize the great efforts that are being made. Therefore, it is just a matter of giving the sector the encouragement and incentives it needs. We are also working on some nontraditional products. Although some Fusades [Salvadoran Foundation for Economic and Social Development] programs have not been successful, we have gained some experience in exporting nontraditional products.

As you can see, all these measures focus on sectors that are currently facing more difficulties, but which are capable of recovering in a short period of time, as I just said. This group, of course, includes the reformed sector. The configuration of landownership has changed, and consequently we must pay more attention to cooperatives and [word indistinct]. The cooperatives problem, which are now facing a very difficult financial situation, could be resolved or eased through special plans.

As for the political aspect of your question—criticism about the concentration of wealth—I would like to say that if we analyze policies that existed 20 or 30 years ago, those policies could seem inadequate today even though they were correct at that time. Therefore, we can say with absolute certainty that during its government, the PCN achieved significant economic growth, social development, and to some degree paved the road for the political development we now have. These criticisms are groundless and seem to respond more to political interests than to real situations that clearly and specifically belong to the past. [passage omitted]

[Funes] We have a question for Rodriguez. You mentioned tax evasion and you proposed treating it as a crime. Specifically, how could this practice be eliminated; what specific measures would you implement during the first 100 days of your government to eradicate the problem of tax evasion in order to collect more revenues for the state? Would you be willing to use 10 percent of the taxes for the renovation of jails and in that way reduce crime?

[Rodriguez] We believe guaranteeing compliance with our laws is a matter of political willingness. We believe it is possible to obtain additional income for the state through more efficient, productive, technical controls of the Salvadoran general tax system. For example, we believe there is a shortage of personnel and real capacity to handle the value added tax, VAT.

We have also said we share the idea that the VAT should be eliminated from foods, staples, electricity, and potable water. We believe an adequate VAT on luxury items could substantially increase fiscal revenues, thereby reducing the impact on products that are basic for the majority of Salvadorans. We believe it is possible to improve tax collection through state reforms, better training, human development, and technology. There are many ways to improve it. We believe this is something we must do immediately after assuming the government. [passage omitted]

[Funes] Colonel, you were demobilized and know the armed institution very well. I am surprised that your first 100-day program does not mention measures guaranteeing the productive reinsertion of demobilized military personnel, taking into account the current situation. I suppose the television viewer has referred to the fundamental issue, which has been raised recently, on compensation payments to demobilized Armed Forces members and guaranteeing their productive reinsertion. Specifically: What do you offer demobilized Armed Forces' personnel and how can you guarantee the productive reinsertion of these men, who only fought during the war, therefore they have no production capacity?

[Escobar] Thank you Mauricio, and I also thank the person who posed this question because it gives me the opportunity to refer to a sector that is linked to my own feelings without taking into account the patriotic role they played during the recently concluded conflict. This is certainly one of the most difficult issues to deal with, as is being observed in the very application of the reinsertion of both sides' former combatants. This is a decision that does not solely depend on the government; it also depends on the will of the people who would benefit from these measures. In this regard, the programs the government established are currently being implemented. I do not know if they are being implemented speedily or broadly enough but they have already been set up. Once I take office, however, the reinsertion program's basic points would have to be totally reviewed. Numberless criticisms and many commentaries have been made on this subject, therefore the basic points would have to be reviewed to determine the people who are going to be reinserted and in what areas.

I had not thought of this issue as an emergency measure. As I said at the beginning of my participation, I tried to narrow my comments down to what you had specifically requested, immediate measures, that is shock [preceding word in English] measures. In reality, the demobilized program should continue within the government, but is not necessarily a shock program that will reactivate the economy and partially resolve the unemployment problem. I definitely did not take or we did not take this issue into account as part of the immediate measures to be implemented. This program must be continued; it must be reviewed and assessed if the basic reinsertion budget and conditions respond to the reality of this specific issue. I would like to make it very clear that we have not excluded the demobilized from our priorities,

rather it is because these programs, in our opinion, do not correspond to the government's first 100 days.

[Funes] Thank you very. Now Mr. Chavez Mena, here are several questions, however, I will ask you to be brief as we are short on time. Here is a question. I imagine it is from a businessman. As one of the emergency measures to be implemented in the first 100 days of your government, you have proposed price controls on basic products. Doesn't price control recall the ghost of state intervention that plunged the Christian Democratic government during Napoleon Duarte's administration to discredit and defeat? How do you intend to implement this price control, and won't this price control discourage investment?

[Chavez] We have not talked about price control. We have talked about price freezing though...[pauses] only of the family basket food products. This is to be combined with a salary policy with economic measures to combat poverty, of course. Where would this measure be discussed? This would be discussed precisely at a forum, as I stated previously.

I am glad this question came up as it gives me the opportunity to explain matters. It is precisely through market mechanisms and a six-month period, which we call a social truce, that we will implement this price freezing process. This goes hand in hand with removing the VAT from family basket food products. This measure is precisely to reduce the increase generated by the VAT to family basket food products' costs and prices. Therefore, we believe it is very important to implement this price freeze, as the result of a consensus, as was done with great success in Mexico, Bolivia, Argentina, and recently in Chile with regard to taxes. This can be achieved by making a difference; that is freezing prices, establishing a salary policy, establishing certain measures by consensus as a result of a social accord, a social agreement. This is what I am referring to.

This is a matter of justice; this is a matter that responds to an economic need and truly responds to the people's feelings. The people in this country cannot support the cost of living. A time gap, a social truce must be implement. This is the reason for the price freeze.

I would also like to take this opportunity to make a brief comment on the ability to govern issue addressed to me. We insist that a leftist government, from former guerrillas in this country, would not make the nation governable nor stable.

It would have problems owing to the mistrust the business sector may feel; something that would generate even greater difficulties and contribute to a level of regional instability. In this respect, we feel the country is not prepared from a historic and political standpoint to have a government headed by the FMLN-CD. As for the business PARE [expansion unknown] Dr. Zamora referred to, it was essentially a political PARE. The PDC defended the country's economic system; it defended the economic system. It began a process of democratization. In addition, it began a process of international cooperation.

I want to state it in this manner because the ability to govern topic is essential, and we must say clearly it. There is a lot of mistrust. We are proposing trust, that is, generating a climate of trust within the business sector. We have talked to them. My relations with business sectors are very good. We have clearly outlined our criteria for gradual steps and consensus, or rather the search for consensus prior to adopting major economic policies instead of adopting them without consultations. In this respect, I want to refer to Mr. Rodriguez' remark, who seems to have been truly swayed by the ads. We had a debate prior to all those economic measures. There really was political motivation behind the ads of a group of politicized businessmen who entrenched themselves and joined the ARENA ranks. In addition, we had a war, and the economy was constantly being sabotaged. The economic and electricity infrastructure was damaged, and this really caused an economic problem that was extremely delicate. We have to put ourselves in that historic situation. In conclusion and in thinking of the future, what we have to have is, that in order to be able to govern, to be able to implement a political program, we need to have a political program. For one reason or another, the Pope correctly said that neoliberalism has been a failure wherever it has been implemented. In Brazil with Collor de Mello, in Honduras, in Costa Rica, where there were problems because of neoliberalism, in Venezuela,....

[Funes interrupting] Allow me to interrupt you, but we have a time limitation, and every candidate has four minutes.

[Chavez] I just want to conclude by saying real socialism has disappeared. The ability to govern problem is essential, and I wanted to refer to it. [passage omitted]

Arena Communique Reports Attack on Marchers

PA1503014894 San Salvador Radio Cadena YSU in Spanish 1800 GMT 14 Mar 94

[From the "YSU Radio News" newscast]

[Text] On Sunday [13 March], the Nationalist Republican Alliance [Arena] charged that militants of the former guerrilla organization attacked a Saturday march by the ruling party in San Salvador. Two people were injured, one of them by a bullet. An Arena communique disclosed that one citizen was beaten, while a young woman was shot. Both were taken to a San Salvador hospital.

On Saturday, thousands of Arena supporters marched along the streets of San Salvador to close the campaign. According to the communique, some of the marchers were attacked by hooded men who burned tires; threw bottles, stones, and water balloons at the marchers; and later physically attacked Arena supporters.

On Saturday night, Arena publicly urged Ruben Zamora, leftist presidential candidate, and Jorge Shafik Handal, coordinator of the Farabundo Marti National Liberation Front, to control their supporters.

Meanwhile on Sunday, the Office of the Ombudsman for Human Rights condemned the violent events, and, without blaming any political party, said the human rights of those who were demonstrating peacefully had been violated.

First Strategic High-Level Studies Graduation

PA1403184694 San Salvador LA PRENSA GRAFICA in Spanish 10 Mar 94 p 4

[Text] The National Defense Ministry yesterday graduated 28 professionals who represent the nation's different sectors at the close of the first running of Strategic High-Level Studies. This is a demonstration of the armed institution's efforts to improve civilian-military relations.

General Ernesto Corado Figueroa, former defense minister, said at the close of the event: "For the first time in El Salvador's history an education course with civilians has been established to analyze aspects of security, defense, and development that will have an important impact within society." Corado added: "This demonstrates that the Armed Forces can work together with the people for the nation's well-being, despite the ideological and partisan differences."

The general explained that this course is part of the education efforts and restructuring that are taking place in the armed institution in times of peace. For Corado, civilian-military relations were significantly marred during the 12-year armed conflict. After the signing of the peace agreement, however, the need to improve relations was acknowledged.

In this regard, the changes made by the armed institution have allowed the promotion of participation—under equal opportunities—of civilian and military personnel in projects of national interest linked to the nation's development and have lead to strengthening harmonious coexistence, the general noted.

Alfredo Cristiani, president of the Republic and Armed Forces general commander, was present at the graduation ceremony. Cristiani highlighted the Defense Ministry's effort by providing a course that sets an example for the overall handling of national leadership. "The new reality prevailing in the nation demands top level preparation in all fields; the Armed Forces are contributing to the consolidation of peace," Cristiani said.

Likewise, the School of Strategic High-Level Studies yesterday inaugurated the second running which will include 36 students who represent the government, the Armed Forces, the private sector, universities, political parties, and the FMLN [Farabundo Marti National Liberation Front].

Ferman Cienfuegos, FMLN member said: This course has a historical transcendency because for the first time after the war, civilian and soldier are united; this will contribute to constructing a national consensus. Cienfuegos indicated that the armed institution is changing because it no longer is manipulated by the political parties. This is a very important precedent because the Armed Forces are state institutions currently at the service of the people.

The first running of Strategic High-Level Studies initiated in September 1993 falls within the framework of the new Armed Forces Education System, according to the constitutional reform passed in April 1992.

Guatemala

Troops Sent to Peten-Belize Border Area

PA1503044894 Guatemala City EL GRAFICO in Spanish 13 Mar 94 p 4

[Article by Ricardo Gatica Trejo]

[Text] It has been confirmed on-site that Guatemalan Army troops have been sent to the Peten-Belize border area where Belizean soldiers and civilians are harassing the Guatemalans who live there.

The small town of Rio Blanco in Dolores, Peten Department, is the one most seriously affected by these actions. The homes of the residents—who are mostly Quekchi Indians from Alta Verapaz—have been burned by the invaders. This situation is nothing new in this village that was settled 15 years ago. The pressure by Belizean troops, however, began nine years ago. According to Salvador Jimenez, a man from Jalapa who has been living in this village for 15 years, a black woman came to this village several weeks ago and threatened to leave them with nothing during the corn harvest.

Francisco Javier Chen, a young Quekchi Indian who is a community leader, added that the Belizean soldiers have told them they are inside Belizean territory and that if they remain there their homes, crops, and even their lives are at stake.

The village, on the banks of the crystal-clear waters of the Blanco River and a little further out than Chiquibul, seems to be like the garden of Eden. There is abundant agricultural production, the weather is very nice, and the river waters are fresh. One can hear the cry of the Saraguate monkeys in the distance.

Speaking in Quekchi, Defense Minister Mario Rene Enriquez Morales held a lengthy conversation with the residents of the Rio Blanco village in Dolores, Peten, who complained of the actions by the soldiers from Belize. Guatemalan peasants wearing ragged shirts and rubber boots came down nearby paths, as well as women who were wearing the native outfit from Alta Verapaz and adolescents who wore colorful necklaces and carried sweaty children.

Likewise, sweaty soldiers walked down the same paths. They were wearing dirty camouflage uniforms because they have been in the area for a long time. Some of them carried light artillery weapons. Others carried M-16 rifles, while another carried radio equipment.

Enriquez, speaking in their language, urged the peasants to respect the law and not cross the border. "The Army is here to give you a helping hand. If for any reason you have to abandon the area, the government will find land to give you," he said.

The peasants said that they "harm no one and work in their fields." On some occasions they said they have found tombs, but they never touch them. They always leave them where they are. They complained that the Belizean soldiers accuse them of "opening the Maya tombs, but this is not true."

The dialogue between Enriquez and the community leader was interrupted several times when 10 persons speaking at the same time explained that they "are Guatemalans and they hope their government will do something for them at this time—the worst of their lives—because there has never been anything like this before in the jungle."

The troops from Military Zone No. 23, stationed in Santa Elena but with jurisdiction in Peten Department, are arriving at the border area between this department and Belize.

URNG Reportedly Not Cooperating in Accord

PA1503002694 Guatemala City SIGLO VEINTIUNO in Spanish 10 Mar 94 p 10

[Editorial: "The URNG and Its Response to the Human Rights Issue"]

[Text] The round of negotiations between the government and the URNG [Guatemalan National Revolutionary Unity] concluded Tuesday without the parties signing the human rights agreement, although progress was made on the topic of the timetable. As happened during the time of Jorge Serrano's Official Commission, the URNG General Command did not fully cooperate to enable the signing of the agreements.

When one wishes to analyze the causes of the new failure to advance in bringing peace to the country, it stands out that the hard line represented by Commanders Rolando Moran of the EGP [Poor People's Guerrilla Army] and Pablo Monsanto of the FAR [Rebel Armed Forces] is not in tune with "politicians" Carlos Gonzalez (PGT) [Guatemala Labor Party] and Gaspar Ilom [Rodrigo Asturias Amado] (ORPA) [Revolutionary Organization of the People in Arms], whose public statements are different.

The URNG leadership failed to realize that at the bargaining table they are being gratuitously offered more than they have been able to achieve militarily in the past three decades of armed struggle. At the very least, they had and have within their grasp the signing of a human rights agreement which would benefit all the people who are ultimately the ones bearing the cost of the war.

It is as if the Guatemalan insurgents were not taking into consideration that with these talks they are assured a greater active role, similar to one they would have attained had they reached a tie with the Guatemalan Army, as happened in El Salvador. It would seem the Guatemalan insurgents fail to realize that at this point in the 1990's internal strife is totally trivial and that our country could continue adrift or with a well-defined course with its dramas and tragedies, triumphs, joys, and comedies, even if the rebels continue their activities.

The guerrilla leaders should also keep in mind that a unique characteristic of Guatemala's social structure is that approximately 70 percent of the population is less than 30 years old and that most of the people live immersed in their daily problems influenced by the dizzying evolution of the world and are far from caring about knowing the roots of the ideological conflict that emerged in the 1960's. More important than that is to realize that although the government is giving the URNG a deal similar to the one the Salvadoran Government accorded the FMLN [Farabundo Marti National Liberation Front], the conditions prevailing in each case are radically different. For example, El Salvador had a war economy. The U.S. subsidy that maintained the conflict between the Army and the rebels was large; infrastructure was 90 percent destroyed; the need for financial resources for reconstruction following the war was and is more than enormous; elections were sabotaged by over 80 percent; the correlation of forces between the Army and rebels was evident; over 90 percent of local governments in the strife-torn areas were dissolved; a military balance existed; the rebels controlled liberated zones; the rebels had a force comparable in many cases with the Army; they had sophisticated weaponry with a large-scale capacity for offensive operations that they took to San Salvador, even to [Salvadoran President] Cristiani's home; and among other things they had the clear support and acceptance of the people.

In making a comparative analysis and drawing parallels between the neighboring country's situation and ours, it is easy to see the differences are marked and substantial.

To conclude, the shortsighted guerrillas and the government give the impression that they have forgotten that more important than signing a peace accord and the absence of an armed confrontation, it is essential to hasten a solution to the problems of poverty that hurt over eight out of every 10 Guatemalans. As this century draws to an end, it is basic to create an equal opportunity framework for all Guatemalans that ensures each citizen has the same starting point when he begins his dramatic struggle for a more dignified life.

Honduras

Military Accepts 10-Percent Budget Reduction

PA1103192494 Hamburg DPA in Spanish 2040 GMT 9 Mar 94

[Text] Tegucigalpa, 9 Mar (DPA)— The Honduran military today accepted the 10-percent cut in the defense budget ordered by President Carlos Roberto Reina. General Reynaldo Andino Flores, defense and public security minister, said the Honduran Armed Forces will make their share of sacrifices by accepting their budget cut.

The budget earmarked for defense in 1994 totals over 250 million lempiras (a little over $30 million), as approved by the Congress. Independent sources, however, indicated that in reality the defense budget is more than 600 million lempiras (over $70 million), since the military budget is increased through internal transfer mechanisms.

On Monday, President Reina announced a 10-percent reduction in the general budget of the central government and autonomous institutions. The entire public budget, including the central government and autonomous institutions, totals approximately 12 billion lempiras ($1.5 billion), meaning 1.2 billion lempiras ($150 million) will be cut from the budget.

Nicaragua

Deputies Protest Chamorro Letters to Assembly

PA1403213694 Managua BARRICADA in Spanish 10 Mar 94 pp 1, 10

[Article by Jorge Katin]

[Text] Two letters sent by the president of the Republic to the National Assembly yesterday afternoon led to violent protests among the deputies of the various parties because the Executive Branch threatened to "take actions" if the deputies continue to discuss fiscal legislation.

The first letter reached the National Assembly at noon and in it, President Chamorro stated she would not sign—approve—the law on tax exemptions on school supplies and medicine for humans approved by the Assembly in mid-February, although she said she would not veto it either. "To sign such a bill would be a violation of the Constitution and the mechanism to pass fiscal legislation which had already been institutionalized," the president said. She added the Executive Branch has the exclusive power to legislate on fiscal matters according to Article 150 of the Constitution. The president also added that "she is analyzing the measures that need to be implemented to compensate for the loss in the collection of taxes."

The letter was described as "impertinent and disrespectful" by the members of the Legislative Branch. The Board of Directors, in response, decided to enact the law that same week. The UNO deputies said they supported the Board's decision to order the publication of the aforementioned law.

The storm caused by the first letter had not died out when Frank Duarte, the secretary of the Board of Directors, read the second letter, this time against the law on public bids for fishing licenses. In the letter, the president states that by means of presidential decree "she has decided to create a National Fishing and Aquaculture Commission," thereby overstepping the bounds of the commission created for this purpose by the Law on Fishing Bids or Law 165.

Many of the deputies considered this to be a "deep crisis" and an "open confrontation" with the Executive Branch. Meanwhile presidency sources downplayed the confrontation by pointing out that there is no such "crisis" between both branches of government. Others, however, described it as the president's "maneuver" prior to the arrival of the IMF delegation.

Assembly Will Determine Ways To Respond

"Antonio Lacayo is trying to sell the IMF the idea that the National Assembly is to blame for not complying with the guidelines proposed by the IMF," some deputies said. More than 20 deputies spoke rejecting the contents of the letters sent by President Chamorro. "It is a provocation and an attempt to make us take measures by insulting our intelligence," according to Danilo Aguirre, a Sandinist National Liberation Front deputy.

Rosales Blames Delaney

Aguirre proposed the creation of a special commission that would be in charge of suggesting to the Board of Directors a series of measures that could be taken in view of the "provocation" by the Executive Branch. Roberto Urroz from the Nicaraguan Democratic Movement and Omar Cabezas from the FSLN proposed accelerating the constitutional reform process as a response to "the Executive Branch's disrespect." According to Deputy Cabezas, the measures announced by the president in her second letter are aimed at protecting the "fishing czars."

Finally the deputies unanimously decided not to get ahead of themselves and appointed a special commission made up of the members of the Board of Directors of the Economic and Legal Affairs Commission to draft a proposal with the measures that could be taken.

Labor Minister Francisco Rosales, who observed the debates and the deputies' reactions closely, said both jokingly and seriously that "these are the crazy acts of Deputy Presidency Minister Tomas Delaney. Rosales said that Delaney "should have resorted to the Supreme Court" so that the Judicial Branch could determine if it is in the National Assembly's power to legislate fiscal matters.

Presidency sources said that President Chamorro, who traveled to Chile yesterday, had drafted two more letters that would be sent to the National Assembly today.

Panama

Presidential Candidates Outline Platforms

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["First Special Program" sponsored by the Latin American Institute of Advanced Studies (ILDEA) and the Media Committee for Presidential Debates featuring statements by six Panamanian presidential candidates and moderated by ILDEA Director Rodrigo Eisenmann in Panama City; date not given—live or recorded]

[Excerpts] [Eisenmann] [passage omitted] This evening our first speaker will be Jose Salvador Munoz, candidate of the Panamenist Doctrinaire Party [PPD]. [passage omitted]

[Munoz] [passage omitted] The PPD is a new party that has no connections to any previous or current governments. We are going to change the country politically and socially. States that control their economic systems are more likely in the long-term to create more problems than they resolve. This is best exemplified by the defunct Soviet Union, although our country is also a good example.

We all witnessed the statism that was in place over the past two decades. Panama, because of its history, nature, and geography, has had an economy different from that of other countries. The only way we can continue growing is by meeting our needs and by looking after the welfare of our citizens, and not by trying to satisfy or accept the demands imposed by other nations. The size of our bureaucracy must be reduced as much as possible to eliminate positions that have redundant duties and to prevent bureaucratic delays.

In the long-term, the only way to improve the standard of living for the Panamanian people is by way of education, which must include diverse disciplines, such as the humanities, arts, technology, and science. In the short-term, the only way to improve living standards is by creating jobs immediately, and this is best done via state investment. State investment generates a great deal of manual labor and jobs.

Our platform on the Panama Canal, military bases, foreign debt, agriculture, transportation, justice, and other issues will be discussed at the forums to which we have been invited. We will attend all of these, except those that may be manipulated to promote a particular candidate. Panamanians are the only ones that will decide who the winner will be on 8 May. Thank you very much.

[Eisenmann] Our next speaker will be Samuel Lewis Galindo, candidate for the Solidarity Party [PS] and the National Unity Mission [MUN]. [passage omitted]

[Lewis Galindo] Good evening, fellow Panamanians. Panamanians are facing a difficult crossroads. PS and MUN have shown the country a comprehensive development plan that proposes the modernization of all organizations of the Panamanian state. This program proposes the government's decentralization, granting broad and true authority to the governors in order that they become the foremost authorities in the provinces. We also will give honest assistance to corregimiento representatives, because they are more aware of the needs of the people in low-income areas.

Our comprehensive development plan also touches on the administrative career. Public employees must have the same guarantees, security, and incentives that private sector workers do thanks to the union bargaining agreements. We have proposed an all-out war against unemployment. We have talked about and continue to uphold the need to have an emergency plan that gives immediate jobs to 50,000 Panamanians. These 50,000 Panamanians would be recruited directly from low-income areas. In this way, we would be tackling the social problem and the unemployment problem.

We are basing our foreign policy on one word—dignity. We cannot permit ourselves to move from being an enclave managed by a foreign power—in this case, the United States—to an enclave currently managed by an elite that caters solely to self-interests. The profits generated by the canal and its bordering areas must benefit all Panamanians. We are not going to create two different castes on our own territory. Canal revenues must be invested mainly in education, which constitutes the best investment the Panamanian Government can make.

All of these plans can only be implemented if there is a national consensus. We do not foster hatred, engage in fruitless disputes, or have a past of which we are ashamed. Having said this, I believe we can implement these plans with Panama's militant forces, such as the unions, farmers, teachers, nurses, and all others who believe they have a civic duty to support a program such as ours. I ask them: Can others carry out these plans? Can others who speak and promote hatred rather than unity among Panamanians achieve these goals we have presented? Along with my party and its candidates, I need your help. We need your votes. We need you to help us reach power to enable us to serve Panama and not to simply take advantage of the nation. Thank you very much and good evening.

[Eisenmann] We have just heard from Samuel Lewis Galindo. Ernesto Perez Balladares, the next candidate to speak, represents the PRD [Democratic Revolutionary Party], PALA [Labor Party], and Liberal Republican Party. [passage omitted]

[Perez Balladares] Fellow citizens, the country cannot continue living in the past or continue to waste its energy

on political recrimination, revenge, persecution, or the settling of accounts. I have been, and I am sure I will continue to be, the target of insults and slander. Nevertheless, this will not make me turn away from the path I have chosen. No matter how many provocations I have to face, and no matter how frequent the harassment becomes, I reiterate my pledge to citizens that I will not permit, much less encourage, political persecution against today's political adversaries or the representatives of the current government.

Our proposal is designed to resolve the Panamanians' fundamental problem—namely, unemployment—with initiatives that do not necessarily entail state expenditures. The construction of infrastructure projects necessary for development, such as roads to bring produce to markets, as well as the Panama City-Colon, David-Paso Canoas, and Chorrera-Arraijan highways, must be joint efforts shared between the government and private enterprise. We already have concrete proposals for this.

I only mention this because these projects are a priority and at the same time create jobs in the short-term. Nevertheless, our platform is much broader. It includes training programs and the modernization of education to guarantee adequate training for the jobs of the future. It also entails the best use of the reverted areas of the canal in order that this wealth, which belongs to all of us, will benefit everyone.

I cannot initiate any government action without attending to the people's basic needs. For me it is unacceptable to have the government earmark more than $1 billion for the payment of debts to international financial organizations while not having the same concern in looking after the large segments of the population in urban and rural areas which do not have a water supply system, or if they do, they only have it for limited and unscheduled periods of time.

This country cannot begin the 21st century without having resolved such a fundamental and basic problem for the health and well-being of the population. I do not plan to evade international obligations, and I understand the course the economy is taking very well. Therefore, I can categorically state that it is possible to honor international commitments and at the same time deal with the people's most urgent problems. It is also possible to modernize the economy without leaving agricultural producers without protection. Economic opening must be carried out gradually by discussing national interests and applying clear and specific regulations.

In addition to training programs for the future, a coherent and comprehensive government plan should include immediate initiatives to prevent young people from becoming victims of vice, worsening the already worrisome problem of family disintegration. A single institution should centralize efforts to promote sports, develop cultural programs, and foster family values among young people.

If we are going to directly attack the generalized corruption we are experiencing today, there must be exemplary and harsh punishment for the guilty. Nevertheless, we must also invest in the comprehensive upbringing of the men and women of the future. In the same way that drug trafficking is combated in the streets and in the ports, we have to adopt heroic measures to prevent money laundering in all of its forms, especially within the Colon Free Zone and within the financial system, because the very existence of those sources of employment and wealth depend on the decisions we make to clean up these areas.

We are also concerned about the lack of security that worries every sector of society. The Panamanian people have ended up being frightened men and women because we always feel threatened by the possibility of being robbed, kidnapped, raped, or murdered. We plan to return security to everyone, not because it is a requirement for investment, but because it is an inalienable right of all Panamanians.

Our decision not to stir up the past does not mean we will not try to correct the injustices that have been committed. One of them, if not the main one, is the infamy of increasing the retirement age for men and women. With a little more creativity, with greater leeway in negotiating, and, most of all, with more social sensitivity, the retirement age problem can be studied more thoroughly and better solutions can be sought.

Fellow citizens, I foresee better days for the country. Our commitment to democracy means there will not be a return to authoritarian forms of power or to practices incompatible with respect for human rights. To what we do indeed have to return to, and return to soon, is a government that leads the country by way of consulting the people, not at the time of elections, but when decisions are made.

[Eisenmann] The next candidate who will speak is Ruben Blades, candidate of the Papa Egoro Movement. [passage omitted]

[Blades] For 90 years of republican life, the nation's political parties have failed in the task of resolving the Panamanian nation's fundamental problems. Papa Egoro, which was born as an independent movement, made the decision to become a political party to legalize its participation in the electoral process which will end on 8 May. Our objective is to reach government to govern with responsibility and correctly manage our country. This is what makes us different from the other political parties. They have not governed and do not want to govern. They want to reach power to repeat what they have always done. The traditional political parties are no different from one another. The results of their experience in the government clearly shows this. All of them are part of the failure to which they led the country's public administration today and yesterday.

The only way to fulfill our principles and objectives for the country is to continue being independent. We continue to be free of ties to the present and past petty politicking, and, above all, we have no hatreds, selfish ambitions, or desire for revenge, which are the things that prevent true national reconciliation. National reconciliation is the only thing that can guarantee that all Panamanians have the opportunity to work as a great national team for a better future.

The system of petty politics that prevails in the country wants you to believe that our project is impossible because we are a new party. It wants you to believe that the only thing that is important is to have the so-called political experience. It only wants you to believe that decency is madness and that the existing corruption is the product of involuntary mistakes, as if the act of governing were a game without referees or penalties and where one can cheat. They want you to believe that in these elections we can only choose between two options of the past, both of which have failed.

The Papa Egoro Movement has not been created to replace a government with another. It has been created because the country needs and wants to change the way that things have been done so far. We propose concerted efforts in the national interest and the participation of the best men and women from all parties and leanings to form an honest and capable administrative team unprecedented in Panama. The Papa Egoro Movement offers itself as common ground where all Panamanians can sow the seed of national hope and see the growth of the tree that will shelter all of us with prosperity, health, and confidence in the future of our mother earth. This is possible because the Papa Egoro Movement does not owe its existence to any special group. The Papa Egoro Movement does not have to pay any political debts, nor does it owe positions or privileges to anyone because of financial support. This is what makes a party truly independent.

Do you know the real responsibility we face in the 1994 elections? We need to change the reality of a country that is used to voting against something or someone and not in favor of good proposals. Unfortunately, in our country the presidents have been generally elected as an act of choosing a lesser evil rather than choosing the best. Let us not commit the same mistake.

Finally, remember you will not only be voting for a president. Each vice president is a possible president and, therefore, will govern and publicly represent the majesty of the country. In this sense, we must carefully study what each presidential slate offers. Do you know who are the vice presidential candidates of the various parties? Do they adequately represent the capacity, honesty, sincerity, and dedication to work for all Panamanians? Do they represent a new image that will enable our country to again be credible and that will make us confident and proud of ourselves? The country can speak with pride about Fernando Manfredo and Ricardo Bermudez, who form part of our work team.

People, our intention is pure, our effort is sincere, and our dedication is absolute. The Papa Egoro Movement represents the possibility of victory of decency and true civic spirit. Papa Egoro really represents everyone's victory. Thank you very much.

[Eisenmann] We just heard from Ruben Blades. Now Eduardo Vallarino, presidential candidate for the Christian Democratic Party, will take the floor. [passage omitted]

[Vallarino] [passage omitted] Our government plan is founded on the firm conviction that the single most important asset a country can have is its people, and only by giving them the best possible opportunities can sustained and sustainable development be achieved. Under our government plan, creating jobs is a top priority to halt the family disintegration process that unemployment entails. It is the private sector, however, that can and must provide the most and best job opportunities. This requires a more competent government economic policy and improvements to Panama's current judicial stability image. Therefore, these two issues are priorities. High employment and progress rates are sustainable only if we have a healthy population. Therefore, health and malnutrition are also priority matters. [passage omitted].

We submit that health investment, particularly preventive heath care, will require an even greater effort by the government. The number of health care centers operating properly must continue to increase throughout the country. A health plan requires a competent social security system. We propose the greatest possible independence for the Social Security Fund to isolate it from political interests. Furthermore, not only are we offering to restore the retirement benefits and ages that were changed, but we also propose to increase coverage in certain services through the implementation of an operationally independent administration. [passage omitted]

We are addressing the housing problem starting with the premise that neither the government or the private sector have the financial capability to balance the enormous housing deficit at a price accessible to the majority of Panamanians. Based on this, our proposal is directed at promoting self-help and loan programs to provide homes for the poverty stricken sector. The state must provide priority attention to the more acute housing problems to provide solutions for those living in extreme poverty, at a price they can pay. [passage omitted]

Sound preschool, elementary, and junior high school education must be made available to the greatest possible number of students. A significant level of participation by the private sector will be necessary in high school and technical education. [passage omitted]

Security for the Panama Canal requires a specialized police force. We do not need an army because outside threats are covered in the Panama Canal treaties and should be included in a wise foreign policy. The Panama

Canal and its reverted areas are the single most important challenge for the new government. The canal administration must be isolated from partisan greed. The canal's work force must be protected and well compensated so the best Panamanians can feel secure working for the commission. The reverted areas are our main opportunity to really take advantage of our geographical position. This will only be true if we use it to replace and surpass the benefits we now receive from the U.S. military presence. [passage omitted]

[Eisenmann] We will now hear from Ruben Dario Carles, presidential candidate for the National Renewal Movement, the Nationalist Liberal Republican Movement, and the Civic Renewal Party. [passage omitted]

[Carles] Fellow citizens: On 8 May, we will all go to the polls and make a very important decision for the present and the future of all Panamanians. For the first time in 25 years, we are going to freely elect the government we want. That government will have the enormous responsibility of guiding our future and prepare us for the present challenges. What is at stake is far too delicate not to be taken seriously. Not only does the consolidation of democracy as a system of government depend on the decision we make, but also our well being, prosperity, and future, and that of our children.

In choosing a president, we must take into account each candidate's qualities as a statesman, their background, moral authority, government proposals, and the team he or she will work with to meet their goals toward a better life for all and particularly for our children. It is equally important to know each candidate's past as well as their views on the future to elect the best president. Neither I nor those who accompany me in this quest have absolutely anything to hide or fear from our past. It is no secret to you that any government program is worthless if the candidates, the work teams, and the government teams behind it lack the necessary personal qualities to direct and execute it. We have the experience, efficiency, character, and the personal will and honesty that the nation demands of its president. The people can rest assured that the proposed government plan will in fact be completed.

Our civic and democratic convictions explain why we were never repressed during the 21 years of the military dictatorship this country endured. We never collaborated with generals, colonels, or lieutenants. I, along with my compatriots, experienced exile and was stripped of my civil rights. The seriousness of our government programs assures us sufficient national and international trust to attract investments. Without such investment there will not be enough new jobs to improve the quality of life of all Panamanian families within the urgent timeframe we require.

My friends, job and housing shortages, limited public transportation service, the absence of urban sanitation, the deficiencies in basic services such as health, education, social security, water, power, and the administration of justice are problems that cry out for immediate solutions, decisions, and investment. We will maintain the present number of jobs in the agricultural and livestock sector by controlling basic products, specifically meat, milk, rice, sorghum, corn, beans, potatoes, and onions. We will do so in an effort to find efficient and reasonable costs for the farmers and fair prices for the consumer.

There is no need to tell you how important the public force issue is for all of us. We guarantee that it will be directed and led by civilians. We will also protect the environment and create thousands of jobs in programs and plans dealing with the reforestation of the country. We will sponsor tourism and ecological tourism as well as processing zones for exports and centers for the transshipment of merchandise. We must solve the foreign public debt but we must seek options that protect the interests of the majority of the Panamanians first of all.

You know that only serious decisions and specific and realistic investments will allow us to create jobs, build houses, equip the public transportation, improve education, and protect our existing services infrastructure, including the financial system, the regime of anonymous societies, and the Colon Free Zone. Decision, leadership, investment, more efficiency and honesty in the public administration sector, plus a constant struggle against corruption, impunity, drug trafficking, and money laundering is virtually all the country needs. [passage omitted]

[Eisenmann] Everyone knows all the candidates were invited to participate this evening. Mrs. Mireya de Gruber declined our invitation. Dear viewers and listeners, we hope you will tune in on Monday, 28 March, when we will present the first televised presidential debate in Panama's political history. It will be broadcast in national radio and television network. On behalf of ILDEA and the media committee for presidential debates, have a good evening.

Justice Commission Chides PRD for Attack

PA1403164594 Panama City Circuito RPC Television in Spanish 2300 GMT 11 Mar 94

[From the "RPC Television News" newscast]

[Text] The Justice and Peace Commission has publicly admonished the Democratic Revolutionary Party [PRD] for committing proven acts of violence against members of the Christian Democratic Party [PDC] on 6 March in La Chorrera District. A Justice and Peace Commission statement pointed out that although it is encouraging that PRD leaders, as well as members who perpetrated the acts, made apologies and rejected violence, the Commission wishes to remind everyone that the ethical agreement that was signed seeks to avoid and prevent incidents of this type and reiterates to the signatories

their responsibility to honor this agreement. The Justice and Peace Commission urged all political parties and all citizens to stop insults and attacks and to seek together the path leading to a consensus.

Meanwhile, the PRD issued a communique accepting and respecting the Justice and Peace Commission's admonishment. It also called on the PRD Court of Honor and Discipline to apply the corresponding disciplinary measures to those members responsible for the attack. The PRD again prompted all its members to honor the commitments that the party made in the Santa Maria La Antigua Ethical-Electoral Pact.

Roundup of Panamanian Electoral Developments

PA1103172994

[Editorial Report] The following is a compilation of reports on developments related to the Panamanian elections scheduled for 8 May 1994.

During the Chiriqui province chapter of CADE [Annual Conference of Business Executives] '94, held at the Bambito Hotel, presidential candidate Ruben Dario Carles (for the National Renewal Movement, Nationalist Liberal Republican Movement, and Civic Renewal Party that comprise the Change '94 alliance) announced that he wants to establish a commission to promote investments and jobs, "so that local and foreign investors will not be lost like someone in the woods who doesn't know where to go." Samuel Lewis Galindo, presidential candidate for the Solidarity Party and the National Unity Mission that comprise the National Consensus Alliance, promised he would lower taxes on agricultural supplies to lower production costs. "We would do this also by supporting and promoting the appropriate producer organizations by giving them training and orientation, as well as any technical and financial support they may need." Christian Democratic Party presidential candidate Eduardo Vallarino said: "Not being prepared for economic aperture means certain death for the small production that still exists in primary and secondary sectors." Ernesto Perez Balladares, presidential candidate for the Democratic Revolutionary Party (PRD), Labor Party, and the Liberal Republican Party that comprise the United People alliance, announced that he would create "irrigation provinces [provincias de riego]." "Another element would be the development of business organizations." The candidates concurred on the need to decentralize public administration to expedite the autonomous development of provinces, to protect national production, improve the country's road infrastructure to and from Bocas del Toro and Chiriqui, and upgrade ports on the Atlantic and Pacific coasts. (Panama City Circuito RPC Television in Spanish 2300 GMT 28 February 94)

Four presidential candidates—Jose Salvador Munoz, of the Doctrinaire Panamenist Party; Eduardo Vallarino; Ernesto Perez Balladares, and Ruben Carles—have said that the Panamanian Banking Center is solid and efficient, while acknowledging that it must undergo some reforms to consolidate its prestige at the national and international level. The candidates conveyed this position on 8 March at a meeting organized by the National Banking Association. (Panama City LA PRENSA in Spanish 9 March 94 p 1A)

The Change '94 presidential slate presented unveiled its platform at a 3 March news conference. The plan "will promote the creation of more and better jobs in different sectors and improve the quality of current jobs, emphasizing different training and job education programs. It will maintain the 13-month bonus and continue paying workers their second allotment of the 13-month bonus," Carles said. (Panama City Circuito RPC Television in Spanish 2300 GMT 3 March 94)

A report detailing Carles' position on corruption highlighted the following points: As a result of the corruption that prevailed during the military dictatorship, the Panamanian state ended up "in the service of organized crime both inside and outside the country, particularly in drug trafficking and money laundering." Carles notes that this is why "the eradication of corruption will be a slow, difficult, and complex task, but a task that must be tackled." He added: "Public spending and the use of state property must be strictly and fiscally controlled." (Panama City EL PANAMA AMERICA in Spanish 7 March 94 p 10A)

Papa Egoro Movement [MPE] presidential candidate Ruben Blades has said that now that the political campaign has gotten under way "the people will really have choices." In response to a reporter's question that his campaign seems to be faltering, Blades noted that his is a "new group, and we lack the economic means others have in the country's politics. Also our group has been organizing as we grow." (Panama City Circuito RPC Television in Spanish 2300 GMT 2 March 94)

Ruben Blades has said that newsmen will not accompany him on his campaign visits because they work for news media "controlled by" political and economic "interests." (Panama City LA PRENSA in Spanish 7 March 94 p2)

Mireya Moscoso de Gruber, presidential candidate for the Arnulfist Party, Authentic Liberal Party, Liberal Party, and the Independent Democratic Union that comprise the Democratic Alliance, has said that in line with her party's principles, she will not participate in public debates. She also indicated it is too late now to set up runoffs. (Panama City Circuito RPC Television in Spanish 2300 GMT 3 March 94)

On 8 March, Gruber came out in favor of a new law on the banking system that would check money laundering. Regarding the U.S. military bases in Panama, she noted that it is the people of Panama who, through a plebiscite, must decide whether the bases should stay or go. (Panama City LA ESTRELLA DE PANAMA in Spanish 9 March 94 p 1A)

The Arnulfist Party announced at a news conference that it is ready for the 8 May elections. The party already has more than 10,000 party members to represent the party at voting tables throughout the country. (Panama City Circuito RPC Television in Spanish 2300 GMT 7 March 94)

Galindo has unveiled a plan to decentralize the executive branch, giving ministries and autonomous and semiautonomous entities the authority to implement their own plans and projects. His plan calls for the creation of public security, tourism, transportation, communications, environment, and finance ministries, as well as a national secretariat attached to the Presidency. "We will get nowhere so long as we continue to not have a modern and agile government that facilitates investment by local and foreign citizens." (Panama City Circuito RPC Television in Spanish 2300 GMT 28 February 94)

The National Consensus Alliance candidate has proposed the creation of a deputy minister's office to handle drug prevention, penalties, and rehabilitation. Galindo said that ethics standards in Panamanian banking must be reviewed "to see if they should be expanded or if the government may take direct legal action to prevent" money laundering. (Panama City Circuito RPC Television in Spanish 2300 GMT 3 March 94)

Perez Balladares has reaffirmed the Torrijist doctrine during a visit Las Palmas District, Veraguas Province. In the company of local leaders, the candidate listened to peasants, farmers, and Indian representatives discuss their problems. (Panama City Circuito RPC Television in Spanish 2300 GMT 28 February 94)

The United People alliance candidate has said that Panamanian society "faces an economic and moral crisis" that seriously threatens peaceful coexistence. This situation is all the more dramatic because in six years the country will assume control over the Panama Canal, Perez added. He also decried the government's failure to ease the problems of poverty and unemployment. (Panama City EL PANAMA AMERICA in Spanish 7 March 94 p 10a)

Perez Balladares has said that the PRD's government platform is gaining increasing acceptance among the Panamanian people. Polls continue to show him leading in voter approval ratings. (Panama City Circuito RPC Television in Spanish 2300 GMT 7 March 94)

Argentina

Vice Foreign Minister Views Kantor's Comments

PY1403225194 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1654 GMT 14 Mar 94

[Text] Buenos Aires, 14 Mar (NA)—Vice Foreign Minister Fernando Petrella said today that if Argentina has no medical patents law "it will be very difficult to get investments and import advanced technology."

Petrella said: "If we want to introduce the country into a market such as the U.S. market, we cannot go on without a patents law."

In this regard, U.S. Trade Representative Mickey Kantor reportedly told President Carlos Menem in Chile on 11 March that if no progress on that law is made in Congress by 30 April, Argentina would be eliminated from the list of candidates to join NAFTA.

Regarding the request made by UN Secretary General Butrus-Butrus Ghali that the Argentine Government send more Blue Helmets to Bosnia, Petrella said this is "highly gratifying for our foreign policy and the Armed Forces, which are the participants in this peace process."

In comments made in the "Puzzle" program of the Rock and Pop FM station, Petrella said our country "conveyed to the United Nations that we will only participate if we get weapons similar to the ones the other units have."

Basic Step Taken Toward Full Membership in OECD

PY1403220194 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1415 GMT 12 Mar 94

[Text] Buenos Aires, 12 Mar (NA)—Argentina has taken a basic step toward joining the OECD as a full-fledged member by formalizing its entry into the OECD Development Center. The OECD groups the developed nations.

Argentina's entry was formalized after the signing of notes at the OECD headquarters in Paris by OECD Secretary Jean Claude Paye and Argentine Ambassador to France Juan Archibaldo Lanus, thus completing the Foreign Ministry's initial negotiations.

Therefore, Argentina has become the first Latin American country to be invited to actively participate in the OECD Development Center, established in 1962 with the goal of favoring an exchange of know-how among nations in order to devise general economic policies.

The Development Center groups the democratic countries that have more developed economies; the entry requirements include, among others, the existence of a stable democratic system, respect for human rights, and solid economic stability.

The Argentine ambassador to France said: "Argentina's entry into the OECD Development Center is the result of Argentina's change and transformation."

The OECD, described as the "Club of the Powerful," was the successor to an organization established to administer the Marshall Plan funds for the reconstruction of countries like Germany and West Europe after World War II.

In a communique, the Foreign Ministry emphasized that the document's signing "agrees with the policy implemented by the Foreign Ministry and the government in its foreign relations, involving Argentine withdrawal from the list of nonaligned countries first and now entry into the OECD."

The groups Argentina was invited to join are involved in reviewing privatizations, tax policy, and trade relations, among other issues.

UN Secretary General Arrives on 4-Day Visit

PY1403152194 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1650 GMT 13 Mar 94

[Text] Buenos Aires, 13 Mar (NA)—Arriving on an official four-day visit today, UN Secretary General Butrus Butrus-Ghali emphasized Argentina's significant role in the UN peace-keeping projects.

He arrived this morning at the Ezeiza international airport. He will ask Argentine President Carlos Menem to send more troops to former Yugoslavia during a meeting tomorrow.

In remarks to a Buenos Aires newspaper, Butrus-Ghali noted that the United Nations wants the Argentine Government to send an additional battalion of blue helmets to join those already in Croatia.

Foreign Minister Guido Di Tella welcomed the Egyptian diplomat, emphasized the "esteemed value" of the visit, and confirmed Argentina's desire to continue participating in the UN peace-keeping missions.

Issues like the UN debt following the various deployments of Argentine blue helmets will also be discussed during the visit.

The formation of an international force to struggle against hunger—the White Helmets—will also be reviewed.

During the meeting with Menem tomorrow, an agreement to assist the Mothers, Infants, and Nutrition Program [Programa Materno Infantil y Nutricion] (PROMIN), financed by the World Bank, will also be signed.

Menem: Church, State 'in Complete Agreement'

PY1403222094 Buenos Aires BUENOS AIRES HERALD in English 11 Mar 94 p 11

[Text] President Carlos Menem said that he was "in complete agreement" with a document released on Wednesday [9 March] by the Catholic Church that outlined its recommendations for the reformed Constitution including a guarantee of greater separation of the three branches of government.

The President also said during a press conference at Government House that "nothing could be decided" about Raul Matera, the number two candidate on the ruling Justicialist Party's Federal Capital slate of potential delegates to the Constituent Assembly, until a complete diagnosis was made.

Matera was admitted to the Otamendi Clinic on Wednesday with pneumonia. Menem added he had tried to visit Matera, who is also science and technology secretary and serves as the head of the city Peronist Party.

At the same time the President said he supported the concept of a separation of powers but did not directly respond to the Episcopal Conference of bishops' assertion that the executive branch had experienced "uncontrolled growth" during his term.

However, he said, any final decision "depends fundamentally on what the people say through the reform process under way." He added that Church-state relations were "normal."

In their statement the bishops left open the possibility that future presidents might be of different religions—currently the head of state is required under the Constitution to be a practicing Catholic—but rejected the possibility of an atheist leading the country.

Reacting to that last statement Lomas de Zamora Suffragan Bishop Juan Carlos Maccarone yesterday [10 March] stated that the Church had in fact "left open" the issue of the head of state's religion because it was not a priority and did not have a mandate from the Episcopal Conference.

Interior Minister Carlos Ruckauf meanwhile declined to comment on the Church statement, saying that was the duty of the Foreign Ministry's religion department.

Legal and Technical Secretary Carlos Corach, the leading candidate on the ruling Justicialist Party's slate of potential delegates to the Constituent Assembly, took issue with the bishop's statement on the separation of powers.

"The executive branch has not increased its powers," he said.

Among the opposition the Radical National Committee, in a statement signed by party Chairman Raul Alfonsin, said the bishops' declaration "contributes to the general consensus" required for reform.

Alfonsin added that the Church's concern for the growth in the executive branch's powers "without a doubt coincides" with his own party's worries.

Differing with the Church was the Argentine Society for Gay-Lesbian Integration [SIGLA], which warned that the Catholic Church's stance "puts the civil rights and the rights of minorities at risk."

SIGLA noted in a statement issued yesterday that "the Catholic Church is endowed with privileges that the other religions lack."

In other political news:

—Dario Cipollini, the former secretary for ex-Radical Deputy Luis Medina Allende, was summoned to testify yesterday in court on charges he bribed Peronist legislators during Cordoba's 1986 Constituent Assembly.

—The Trotskyist Left Socialist Front (FIS) yesterday presented its list of candidates for the April 10 Constituent Assembly election. The coalition, which opposes constitutional reform, will be led by Movement Toward Socialism's Nora Ciappone and former Socialist Workers Movement Deputy Luis Zamora.

Menem Backs Accused Business Executive

PY1403221494 Buenos Aires BUENOS AIRES HERALD in English 11 Mar 94 p 11

[Excerpt] President Carlos Menem gave his firm backing to businessmen Francisco Macri yesterday [10 March], saying he had complete faith in his honesty and work ethic. The remarks came moments before it transpired that Macri would be summoned to court on charges of tax evasion while importing cars to the country.

"Nobody can doubt that Francisco Macri is one of the people to have brought the highest amount of investment into the country and that he has breathed new life into the car industry," Menem told reporters in Government House before leaving for Chile yesterday to witness today's inauguration of new Chilean President Eduardo Frei.

However he added that his personal view should in no way influence the decision of the national courts and in particular that of Federal Judge Roberto Marquevich, who has been investigating the claims of tax evasion.

In reference to other news Menem touched upon the controversy surrounding alleged bribes demanded by the PAMI [Comprehensive Medical Assistance Plan] pensioners medical plan, saying that the accusations against the organization's head, Matilde Menendez, were part of a "scaremongering" campaign.

He also hinted that Menendez, who will be standing for election to the Constituent Assembly on April 10 on

behalf of the Justicialist Party in the Federal Capital, was being targeted as part of a political witch-hunt.

"These (accusations) will continue to be bandied about by real mafiosos who are part of the political set-up and are intent upon damaging her candidacy," Menem told reporters. [passage omitted]

Senator To Challenge Menem for Party Nomination

PY1403221894 Buenos Aires BUENOS AIRES HERALD in English 14 Mar 94 p 7

[From the "Argentina in Brief" column]

[Text] (DYN-NA)—Justicialist Senator Jose Bordon said that the days of President Carlos Menem in government are numbered and confirmed he will bid for the Justicialist nomination to be presidential candidate in 1995. Bordon told Salta daily EL TRIBUNO that the economic situation was "unstable both productively and socially." According to Bordon 1995 will mark the end of the Menem administration.

General Labor Confederation Elects New Leader

PY1403221294 Buenos Aires BUENOS AIRES HERALD in English 11 Mar 94 p 11

[Text] In a widely expected move the General Labour Confederation's [CGT] extraordinary congress yesterday [10 March] elected SUPE [United Trade Union of State Petroleum Workers] petrol workers union leader Alberto Cassia as new secretary-general.

The CGT also chose new members to its Directive Council, which is dominated by pro-government unions and is expected to continue its negotiations with the Justicialist administration.

"It is not time to throw stones or make strikes, and we will favour dialogue over all things," 55-year-old Alberto Cassia said after being sworn in as CGT head. Cassia, a former deputy, has lead the union in Mendoza and has close ties with ex-SUPE head Diego Ibanez, who is a close friend of President Carlos Menem's. Cassia has also had a place as a workers representative on the state oil company YPF's [Government Oil Deposits] board of directors.

The new leadership does not include any members of either the breakaway Argentine Workers Movement or the anti-government Argentine Workers Congress. Neither group attended the gathering staged in the Federal Capital at the Parque Norte sports centre.

Luis Barrionuevo, the UTGRA [Argentine Union of Restaurant Workers] restaurant workers union leader, is another prominent unionist that does not have a place on the new Directive Council.

AB [Banking Association] bank clerks union leader Juan Jose Zanola is the CGT's joint secretary general. The other 22 places on the council are shared among members of the staunch pro-government union and the moderate pro-government unions that negotiated Cassia's candidacy prior to the Congress.

The powerful UOM [Metalworkers Union] metal workers union significantly has chosen to keep its participation in the new CGT at a minimum: La Matanza UOM leader Carlos Gdansky was appointed to the minor post of register secretary.

UOM metal workers union leader Lorenzo Miguel said that "although we are friends of the President (Carlos Menem) we are independent enough to defend the rights of the workers."

Cassia, in turn, said that he will immediately request a meeting with Menem and Labour Minister Armando Caro Figueroa.

"(The CGT), shares the socio-economic model of Carlos Menem's government with the logical disagreements that organized labour has with certain official plans that affect workers rights," Cassia told a local news agency. He added that the CGT "will, if necessary, use the right to strike."

Organizers said that 1,186 delegates of 171 trade unions participated in the Congress in which the only ticket presented was the one headed by Cassia.

In other labour news:

Members of the Democratic Centre Union's Lower House caucus yesterday pledged their support for the government's labour reform bill in a meeting with Caro Figueroa.

—The Rosario Newspaper Union held a silent march last night in support of La Capital Editor Alberto Vila Ortiz and his family, who have been the subject of multiple threats.

Santiago del Estero municipal workers defied an order by Federal Trustee and launched an indefinite strike in demand of higher wages, while senior citizens marched to draw attention to their pension claims.

Clash Between Police, Santiago Textile Workers Detailed

94SM0257A Buenos Aires LA PRENSA in Spanish 20 Feb 94 p 12

[Text] Santiago del Estero—The workers who had taken over a textile firm in this city and who were evicted last Thursday described the police crackdown on them as "savage" and charged that "the order was given by Secretary of Internal Security Andres Antonietti." Interior Minister Jorge Busti also criticized the action.

Santiago del Estero Radical Party members predicted, for their part, that the federal overseer, Juan Schiaretti, "will come to the same end as his predecessors" and

cautioned that the disturbances last December were not "the culmination of a process but rather a wake-up call."

Nine workers at the company Textil Santiaguena, which is located in the Huaico Hondo neighborhood, were wounded by the rubber bullets or overcome by the tear gas used during the evacuation of the plant, which had been ordered by Judge Silvia de Ferreyra Lesye and carried out by the Infantry Corps of the provincial police.

The workers said that they had occupied the plant "in defense of jobs" inasmuch as the firm had declared bankruptcy and the property had been auctioned off.

At a press conference after the eviction the workers blamed the police crackdown on Brigadier Antonietti and said that the agents who had taken part in the maneuver "received extra pay to dislodge us by whatever means."

One of the evicted workers related that "the chief of the Infantry Corps, Julio Olivera, made me kneel down, aimed his service weapon at my head, and then fired to one side. The blast made me pass out and damaged my hearing."

The demonstrators also criticized the judge: "She deceived all of us workers by saying that she had decided to give us five days and then ordering the eviction a few hours later."

In remarks to a Buenos Aires radio station, Minister Busti described as "regrettable the way in which the police took action at the textile plant" and announced that he had ordered preliminary proceedings opened against Olivera for the means that he had used to regain control of the plant.

Moreover, the Province Committee of the Radical Civic Union (UCR) asserted in a press release that overseer Schiaretti "will come to the same end as his predecessors," adding that he "is mistaken if he still thinks that what happened in December was the culmination of a process, inasmuch as it was only a wake-up call."

The Santiago del Estero UCR, led by National Deputy Jose Zavalia, indicated that "Schiaretti is just as arrogant and deaf as his predecessors," asserting that the demands of the people "are still unmet."

Legal Insecurity

Former Federal Judge Federico Pinto Kramer charged yesterday in this city that "legal insecurity in Santiago del Estero is becoming increasingly self-evident," adding that "the desire of some judges to be in the limelight casts suspicion on court actions and confuses public opinion with false news."

At a press conference the well-known attorney questioned the new arrest warrant issued for his client, former government spokesman Miguel Brevetta Rodriguez, who has been accused of signing a 300,000-peso advertising contract with a nonexistent Tucuman firm.

Former Governor Carlos Mujica and his interior minister, Angel Bagli, are also at large in connection with this case.

Pinto Kramer gave newsmen photocopies of the alleged contract and asserted that it was not signed with a dummy company. "The contract was signed with a well-known advertising firm on behalf of a printing house," he said.

The former judge indicated that "there is a black smoke screen to confuse instead of clarify" and charged that "four months into the investigation the proceedings are still being kept confidential and there is more talk than action."

In addition, the former federal judge also lashed out at the federal overseer, Juan Schiaretti, recalling that he had said that he "would fill the jails." "With whom?" Pinto Kramer said sarcastically, then asserting that "so far the Mujica administration seems to be the most conscientious in recent years."

Mujica resigned late last October amid charges of embezzlement and was replaced by Deputy Governor Fernando Lobo.

Brevetta Rodriguez's and Mujica's homes are among the houses and public buildings that have been looted and burned.

Bolivia

Ex-President's Revelations May Threaten Politicians

PY1503010294 Madrid EFE in Spanish 1743 GMT 13 Mar 94

[Text] La Paz, 13 Dec (EFE)—Various politicians said today that former Bolivian President Luis Garcia Meza, who was detained in Brazil, could involve many of the active members of Bolivian politics in the actions of his de facto government (1980-1981) for which he was sentenced to 30 years in prison.

Deputy Benjamin Miguel of the Christian Democratic Party (PDC) said today that Garcia Meza is quite "smart to do that ... to try to stain with his accusations many people who now appear to be democrats and respectful of the Constitution but who encouraged the military dictatorships."

Garcia Meza, who was detained on 11 March by Brazilian police in Sao Paulo, said: "I am paying for the things others did and I will prove it."

Deputy Miguel, who lived in exile during the Garcia Meza government, said, "the former dictator has nothing to lose" and he will try to get the greatest

political advantage from his declarations before and after he is extradited to Bolivia.

The La Paz morning daily HOY says in an editorial on 12 March that there is "fear of Garcia Meza," and that "this time the people are not the ones who are afraid of this character, but his old allies and Bolivian politicians who are about to get another bucket of water" from the former dictator.

Juan del Granado, a lawyer in the civic lawsuit of the so-called "Trial of the Century" against Garcia Meza that lasted seven years, labeled the former dictator a "liar and forgetful." He said, however, that whatever Garcia Meza says will serve to open the case again against new people who were involved in the criminals acts committed by the former general.

Miguel Urioste, leader of the Free Bolivia Movement (MBL) that is in the government coalition, said that "the two previous governments protected the former dictator" in reference to former President Victor Paz Estenssoro (1985-1989) and Jaime Paz Zamora (1989-1993). The first because it let him go and the second because it did not want to arrest him.

Urioste added: "I hope Garcia Meza is man enough to accuse his accomplices, accessories, and protectors, and that the heads that must roll begin to roll."

The MBL announced that it will propose in the next few days that the Constitution, Justice, and Judicial Police Committee of the Chamber of Deputies investigate the protection given to Garcia Meza by people linked to current Bolivian politics and diplomacy.

Deputy Eduardo Paz of the opposition Conscience of the Fatherland (Condepa) said that all those who cooperated with the Garcia Meza government should be "unmasked." He supports any initiative to identify the former dictator's accessories during the five years he remained a fugitive from justice.

According to a "confidential" report released by the local FIDES news agency, more than 100 people have covered up for Garcia Meza in Bolivia including soldiers, congressmen, close friends, relatives, and people who benefited in administrative and political positions during the de facto government from July 1980 to August 1981.

The Bolivian Supreme Court sentenced Garcia Meza on 21 April 1993 to the stiffest sentence, 30 years in jail, for nine crimes of sedition, murder, malfeasance, and stealing government property.

Brazil

Gore's Visit, U.S. Integration Policies Assessed

PY1503040094 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 13 Mar 94 p A4

[Article by Jose Casado]

[Text] U.S. Vice President Al Gore will arrived in Brasilia on 21 March. He will invite President Itamar Franco to the hemispheric summit that will meet in the next few months.

Gore's agenda also includes a debate with political leaders, entrepreneurs, and environmentalists, possibly with radio and television coverage.

It is one form of doing politics based on the tradition of British colonizers who promoted debates with communities before making decisions.

The Clinton administration has started doing that, domestically. Gore wants to do it in Brasilia.

The issue will be a single one during his meeting with Itamar Franco, during the summit meeting or during the public debate: the Americas' integration.

The issue has become vital to the United States' future leadership, in the Clinton government's view.

Jeffrey Garten, former banker and Wall Street broker and current U.S. commerce under secretary for international trade, summarized it this way: "Our future capacity to compete, create jobs, and remain world leaders will depend on our capacity to succeed in the larger emerging markets."

For Washington there are three "large emerging markets" in Latin America: Brazil, Argentina, and Mexico.

The candidates to succeed President Itamar Franco should begin pondering this new U.S. diplomatic offensive in Latin America that started with the signing of the free trade agreement with Mexico.

It is crucial for any political power project in the region. It is the main condition for any government such as the Brazilian Government, which is betting on an "autonomous" foreign policy based on the full dominion of the Amazon basin (in the north) and the River Plate basin (in the south).

The "Gore mission" is an act that intends to prepare the Latin American political arena for the application of the new foreign relations "model" that Washington developed with Mexico and Canada during NAFTA's negotiations.

Gore's agenda during his 48 hours in Latin America is eloquent: Before coming to Brasilia he will travel to Buenos Aires. In Buenos Aires he is scheduled to give a strong speech at the World Telecommunications Conference—the most coveted business circle in the world.

He will speak about "reinventing governments" through a reduction of the state role in the economy. He should not repeat the same speech in Brazil. The State Department is afraid of hurting the feelings of nationalists who might possibly identify Gore's words with "an interference in domestic affairs" at a moment Congress is trying to revise the Constitution.

In Buenos Aires, the U.S. vice president must confirm the possibility of closing with Argentina, possibly this year, the first protocols on free trade.

That "strategy with Argentina," as the U.S. bureaucracy defines it, will represent progress in the direction of a common commercial promotion project (environmental technology and spare parts); the sale of capital goods, telecommunications equipment, transportation, and basic sanitation with assured financing; assistance in the financial sector's deregulation; and "technological cooperation" in urban and environmental engineering and biotechnology.

It is a "package" in NAFTA's direction with the White House's stamp on it and the parallel support of multilateral agencies such as the World Bank and the Inter-American Development Bank.

Franco's successor will be installed on 1 January 1995. That day, the borders of the Common Market of the South [Mercosur] will open up.

Mercosur, as well as NAFTA, are already part of the scenery. Both projects have problems, but they might represent converging solutions.

It will depend exclusively on the capacity of rulers to use these projects as political instruments for introducing changes in this absurd picture of income distribution that is threatening the future of democracy in Latin America.

The alternative is a political confrontation.

Editorial Comments on U.S. Human Rights Report

PY1503033294 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 13 Mar 94 p A3

[Editorial from the "Notes and Information" page: "Unexpected Aggression"]

[Text] When relations between Brazil and the United States seem to be on the way to normalization, areas of friction that have almost been forgotten reappear. It is known that the human rights issue has always been taboo for our governments, and it is also known that the State Department is forced by law to send to the U.S. Congress a report on the human rights situation in the entire world. Any reference to Brazil in that report is received in Brasilia with outrage even, and the executive branch does not seem to understand that the human rights issue is a universal concern.

Although no one expected it, a top U.S. Government official touched on this issue in rude language during a meeting of the UN Human Rights Commission. But this is what happened in Vienna last week. We were described as a country where "street children go around in the garbage looking for food and are hunted for sport." Vivian Derryck went even further, saying "that negligence is too close to savagery to be called anything else."

During the Collor administration, the Foreign Ministry feared the problem of children and human rights would allow a broad international campaign against Brazil like the campaign carried out against the Medici administration in relation to the massacre of Indians.

Unfortunately, by the inertia of the government and the indifference of broad sectors of society, there are still cases that, taken out of context, allow speeches like Mrs. Derryck's to be delivered to audiences that receive them well despite the prompt and harsh answers from the Brazilian representatives. Even now in Londrina there was an ad published in a newspaper inciting the killing of minors involved in holdups. The psychopathy of the ones who ran the ad is not taken into account by the people in the nongovernmental organizations and the U.S. diplomatic corps, which writes the human rights report. In fact, this is similar to the "hunted for sport" referred to in the Candelaria massacre. When in international meetings the real efforts made by nongovernmental civilian organizations, different churches, and officials of some states to improve the situation of children are ignored, it is natural for the federal government to feel justly hurt by the abuse typical of student body elections, which can only be replied to by denying the moral authority of the U.S. Government to make this type of abuse. Unfortunately, however, this is the situation we will have to live with for many years. Mainly because the increase of juvenile crime in association with the economic crisis, unemployment, and the indifference to moral values are making people insensible and inclined to deal with this problem in the simplistic manner, and many times with the complicity of officials who are blind to everything.

Minister Ousts Author of Electic Rate Increases

PY1203034594 Sao Paulo FOLHA DE SAO PAULO in Portuguese 9 Mar 94 Section 1 p 6

[Text] The first thing Alexis Stepanenko did after being sworn in as mines and energy minister yesterday was to dismiss Gastao Luis de Andrade, director of the National Water and Electric Power Department (DNAEE), who is held responsible for the average 43.2 percent increase in electric power rates. The increase annoyed President Itamar Franco, who demanded that measures be taken. Before learning that he had been dismissed, Gastao asserted that the rate hikes had been suggested by Jose Milton Dallari, special Finance Ministry adviser on pricing policies.

Franco demanded that it be determined who was responsible for the increase. From that point on, those responsible for pricing policy in the Finance Ministry and in the Mines and Energy Ministry tried to dodge responsibility. Finance Minister Fernando Henrique Cardoso himself began to absolve his advisers of blame. He asserted:

"Neither I nor Dallari authorized this increase. The reasons for it should be sought in the Mines and Energy Ministry."

Yesterday Fernando Henrique said the price adjustment was "unacceptable": "Rates were increased without my approval. Someone is going to have to pay for this, because it goes against the stabilization plan."

According to Cardoso, an agreement between the Finance Ministry, the DNAEE, and the public energy contractors estimated that the increase should be based on the average increases of the past four months, which would have been approximately 38 percent. According to the minister's estimates, electric power rates accumulated a real increase of 8.6 percent last October.

Stepanenko refused to comment on the reasons that compelled him to dismiss Gastao. He said: "I made the decision in exercise of my authority, and do not wish to discuss it." Stepanenko is now trying to figure out what to do with the increase: He can either cancel it, or compensate for it in the next adjustment.

Gastao defended himself: "The initial order was to transform rates into URV's [real value units]. But we then received a counter order not to do so, and to continue using the parametric formula. That order came from Dallari." The parametric formula takes into account the operational costs of each of the enterprises of this sector.

Israel Vargas stood up for his director: "Gastao was in constant contact with the Finance Ministry. The minister and I were probably duped in our good faith by factors beyond our control."

Investigation Ordered Into Agricultural Program

PY1103201894 Rio de Janeiro O GLOBO in Portuguese 4 Mar 94 p 7

[Excerpt] Brasilia—The National Accounting Office (TCU) ordered an investigation on 3 March to find out who diverted some $300 million from the Agricultural Activities Support Program (Proagro) [Programa de Garantia da Atividade Agropecuaria]. During a special inspection, TCU personnel discovered that Proagro is not supervised. Ademar Guisi, the TCU rapporteur for the case, was surprised at the results of the inspection.

He said: "Proagro is totally uncoordinated, disorganized, and is not supervised. This has turned Proagro into a veritable Pandora's box."

Proagro, which is managed by the Central Bank, was created to cover farmers' debts to banks whenever bad crops occurred due to acts of nature. TCU personnel found various irregularities, such as payment for nonexistent liabilities. Most of the diverted funds went out this way. [passage omitted]

Embraer Auction Set for 20 May at Sao Paulo

PY1203000994 Rio de Janeiro O GLOBO in Portuguese 8 Mar 94 p 26

[Text] The National Privatization Program (PND) Executive Committee yesterday set a new date for the Embraer [Brazilian Aeronautics Company] privatization auction: 20 May. As the final adjustments before the sale were only approved by the government last week, the PND Executive Committee only managed to establish the method and the minimum price for the state-run company during yesterday's meeting. The auction had initially been scheduled for 24 March. The PND Executive Committee thus hopes to have enough time to release the privatization's resolution.

The auction will be held at the Sao Paulo Stock Exchange (Bovespa), where 60 percent of Embraer's capital will be auctioned for about $200 million. The privatization will be completed if 85 percent of the stock offered, involving 51 percent of the company's capital, is sold. The Federal Government (Aeronautics Ministry) will retain 20 percent of the stock, employees will be entitled to 10 percent, and the rest will be sold to the public. The recommendation of the PND Executive Committee, which must be approved by President Itamar Franco, does not require payment in currency and does not exclude the participation of foreign capital.

The PND Executive Committee's proposal contemplates for the first time in the privatization program the preselection of bidders by the Aeronautics Ministry, which will also be entitled to golden shares [preceding two words in English] (special stock) that carry the right to veto issues described as strategic—like corporate changes, changes in and the drawing up of military programs, and transfers in the control of majority stock. PND Executive Committee Chairman Andre Franco Montoro Filho said these rules have been established because Embraer is a strategic aviation company.

Montoro Filho reported that the value of the company is estimated at $510.3 million, plus $215 million in debts that must be accepted by the future majority stock holders. Thus, the state-run company's minimum price has dropped to $295.3 million. Montoro Filho added that the capital will be increased by $30 million, but the federal government will not underwrite the stock. Buyers will also have to commit themselves to purchase this stock because the auction will take place during the stock subscription period.

Chile

President Frei Delivers Inaugural Speech

PY1403160094 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0019 GMT 13 Mar 94

[Inauguration speech by President Eduardo Frei from Constitution Square in Santiago—live]

[Text] Chileans: When one democratic term ends and another stage of republican life begins, the young and the young at heart wonder about their dreams, about love, and—in a nutshell—about the reason for their existence.

Political work—in its noblest form—seeks to create the opportunities and conditions to achieve the basic human aspiration of true happiness.

This higher objective of politics becomes more evident in countries like ours, where government actions many times play a decisive role in people's destiny.

Yesterday, I became the president of all Chileans [applause], and I now announce the way in which I will conduct the national community in this march toward solidarity, justice, and freedom.

My position stems from Chilean history, and I will seek to answer the following question: On what foundations should we base the new meaning of our mission? It is essential to listen to our heroes, to our poets, and to our saints.

General Bernardo O'Higgins is behind me; Minister Diego Portales is in front of me; Captain Arturo Prat is further away, near the sea. They are the nation's liberators, the builders of the Republic, and the heros of the Republic. They remind us of our tradition of honor, dignity, sacrifice, and the impersonal nature of power.

Can you here the noise of the boys and girls of Elqui [a region in Chile], preaching to the kingdom of children around the earth? Do you know that in every language and in every city of the world a poet is singing verses of love for the women and men of all races and cultures?

Can you see Father Eduardo Hurtado [whose canonization has been requested] crossing Mapocho River bridges, gathering the children who choose hope and the city as their home?

We have many heroes, poets, and saints in whom we can find the inspiration to give dignity to our lives and to the lives of all our fellow countrymen. There are many, and they belong to us all.

Chile has recovered its tradition. We are the children of a single historical adventure, the heirs of a single, powerful will to be.

A stage ended yesterday: Under President Aylwin's patriotic leadership we achieved national reconciliation. [applause]

Now we can look each other in the eye and shake hands with peace in our spirits.

In all collective tasks, the director should indicate his style of work. With even more reason, a president must explain the exercise of power to his assistants, to the citizens who support him, to those who oppose him, and even to those who are indifferent.

First, I will exercise authority, that is, legitimate democratic power. I will respect the principle of authority, the majesty of the law, and the impersonal nature of power, and I will have them respected.

I make an appeal for order to avoid confusion. I will speak little, yet I will act firmly. [applause]

I must be very clear concerning authority. I will exercise the powers of president in the presidential system of government under the rules of which I was elected. Reforms in the political system, if there are any, will take place in the future. It is necessary, however, to end the illusion of reducing authority.

In nearly all countries of the world the public is demanding an increase in authority, in light of the large number of corporate interests, the rule of parties, and the de facto powers of individuals and groups.

As always, Chile requires authority above individual perspectives and the interests of groups.

I will be the president of all Chileans and the supreme commander of the Armed Forces, as a symbol of national unity. [applause]

Second, under a democratic system, the opposition has the double task of achieving consensus and exercising criticism. I call upon the leaders of the opposition parties to fully meet their responsibilities. Our country requires both their cooperation, in drawing up the state's policies, and their supervision in order to correct mistakes and failings.

I call upon them to persevere in the quest for civilized dialogue, in which mutual respect, civic friendship, and joint patriotism prevail.

My heart is free of resentment and rancor, it is open to all spiritual and political families of our nation.

New time brings new demands. Broad transformations in our country and in the world have made democracy and development face a superior phase of evolution.

New times compel us to rethink our style of government. That is why this evening, rather than outlining the specific objective of our program—which has been widely publicized and made known to all Chileans during the electoral campaign—I wish to concentrate on the style of work that I will demand of myself and of all my assistants within the government.

I want my government to be particularly alert to the needs and concerns of the people. The people's needs should be our needs. The heart and the eyes of this government should focus on the routine life of Chilean people. [applause]

Let us not allow government work isolate us in our offices. Let us not assume that things must be handled in the way a small group of people say. Let us go meet

people, listen to them. Let us not be afraid of criticism. Let us check offices, schools, enterprises, hospitals, and administrative methods.

Let us invite people and the broader sector to participate. Let us cast off any traces of sectarianism, bureaucracy, or statism. Let us join efforts to solve the real problems of each Chilean.

I will be the first to do this, and I call upon my assistants to adopt the same style. I will be a president in-the-field, on a permanent campaign, not to gain votes, but to be up to date with the concerns of my country and to make government action dynamic. [applause]

Another attitude that must be adopted all over the nation—in the central, regional, and municipal governments—is that of devotion to work. This means to do things well, with diligence, and with special care for detail.

All sluggishness should be eliminated, from the most important to the most insignificant. No streets with garbage, no place without ornaments, no dead trees.

In the fight against uncivilized apathy, the government must be the example.

I want those in charge to know every detail of the services for which they are responsible, to identify their weak points, and to adopt measures to correct deficiencies.

I do not want study and analysis to become an excuse for indefinite postponement of decisions. I do not want perpetual delays to projects that are vital for entire cities. [applause]

You have many times seen teams working and achieving fine results for people, and others—with the same resources—simply dragging their feet and accumulating problems. I want this difference to stop. The entire administration should become a working mechanism that systematically improves the quality of its operation and its decisions.

I want relations between citizens and the administration to be based on maximum respect for people, especially if they are old, poor, weak, or sick. [applause]

Routine administration service is the minimum that a democracy should offer its citizens, whose dignity stems from the mere fact of being fellow countrymen. A well-completed job considers details, respects citizens, and—above all—efficiently serves them.

Our work must be transparent, without nebulous or dark corners. Let us work with our faces toward the country, and with frankness. Let us tackle problems instead of burying them. Let us maintain our style of never promising what we are unable to fulfill. This will be our best guarantee for the people. [applause]

I want an honest fulfillment of public functions. Our society fully disapproves of public officials who profit by or misuse resources that belong to all Chileans. [applause]

We need to convert this consensus into a will for action. I expect officials to be accurately aware of what is happening in their respective services, departments, and units, because it is part of their responsibilities.

As president I will strictly counter any action that perverts the true sense of public service. In this field I do not want any indulgence, no matter how difficult it will be to face bitter realities. It is better to act firmly today than to be swamped tomorrow by a nationwide practice of corruption.

I want to clearly say that I will not yield to any type of pressure in order to stop these nefarious practices. I will be a president with a firm hand against corruption. [applause]

In this task, the practice of the impersonal nature of power will be very useful. In everyday practice, Chileans must be equal before the law, in big and small issues, in paying taxes, and in paying traffic fines. If power is not impersonal, we will be building the foundation of corruption, a scourge that once unleashed ravages all possibilities of properly running a state.

The style of this new administration stems from the spiritual meaning of our action.

The objective of the fight against poverty, which faces the danger of becoming rhetorical, must be clearly outlined. This is an all-encompassing fight. It calls for advanced science and technology. Yet above all it calls for sound ethics.

The poor who demand immediate action are the poorest among the poor. They are spread in the countryside and in the outskirts of our cities. They have been punished, generation after generation.

Their dignity must be returned to them, and the price of this work is constant, systematic sacrifice. It is not enough to allocate subsidies to eliminate poverty. Routine practice, procedures, priorities, and policies must be modified.

I call upon all Chileans—especially women and the youth—to devote their best energies to free the poor from their slavery, thus making their own life more noble by fulfilling a noble mission. [applause]

Chileans: I am aware that this style of government is demanding. Yet you, who were elected to accompany me in this task, were chosen to work for the good of people.

You were elected to break barriers and problems, and to tirelessly work.

To govern is a nice task in which our energies are used for serving our fellow countrymen, and this is our main reward.

I think I have clearly outlined the style that I want for my government, and—within this framework and in this long effort—my team will always have my confidence, support, and encouragement.

Let me now say a few words about our relations with the international community.

From time immemorial, we Chileans have lived with the mentality of island dwellers. Now the world is one, and we must trade products and services with all nations.

Likewise, our culture is exposed to all the influences of the international centers of power. Our nation can no longer seek refuge between the mountains and the sea. We have unavoidable requirements and international obligations.

The globalization of the economy requires from us an effective performance in all our world's markets, under all skies, within all cultures, in all languages.

The entire world was very generous with Chile at a time when Chile was in pain and division. We must return what we have received, with increased solidarity. [applause]

Our main duties involve the Latin American community, our neighborhood in the international community. My administration will dedicate its best efforts to enhancing ties with countries in our region. The key to success lies in transforming the diversity of the Latin American peoples into unified goals, in order to bolster our economies, improve our sovereignties, and have a say in the community of nations.

We call ourselves brothers, and we will prove it with friendship and mutual cooperation.

Fellow countrymen: Being president is not an easy task. I am aware that as president I will face disappointments, that many times I will feel the heavy burden of major decisions, and also the distress of being unable to do anything else.

To overcome the loneliness of power, I want to recall the faces of thousands of Chileans who have accompanied me in countless days.

I want to recall the peasants who have expressed their hope to me, the youth who have talked to me about their dreams, the humble housewife who opened the doors of her house to me. I want to recall the workers who in factories and mines told me: You can always count on our support.

This will be the great force that will accompany me during these years, the force to which I will always return for strength.

This nation, these people have given me multitudinous, systematic support. I opened that door [he points at La Moneda Palace] with overwhelming electoral support. I have received all types of expressions of support, backing, and confidence. I heard my name being said on streets and squares. I have reached a very high position.

But from this high position I can hear my father's voice, 30 years ago, repeating an old proverb: You placed me in a very high position, but you have abandoned me.

This evening, with deep humbleness, I ask you: Do not abandon me, always accompany me, at the service of the nation. Thank you very much. Long live Chile! [applause]

Vows Not To Sacrifice Stability

PY1403215094 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1800 GMT 14 Mar 94

[Text] President Eduardo Frei said today before more than 100 national and foreign business people that Chile will not sacrifice its political and social stability for the sole purpose of achieving economic growth. Jose Miguel Alfaro has a live report from La Moneda Palace:

[Alfaro] Good afternoon, in an unusual event in our history President Frei began his administration by meeting with business people from 20 countries as a demonstration of the new government's intention to continue the process of introducing Chile to the international market. Let us look at the report we prepared:

[Begin recording] [Alfaro] The president began the first day of his administration early this morning in La Moneda Palace. He then went to Carreras Hotel to open a meeting with the business people. He reiterated that it is a moral responsibility and an important economic objective for his government to eradicate extreme poverty. To do that he said it is necessary that Chile double its income during the next decade.

[Frei, in progress] ...of what I said, I do not want to fail to mention that in Chile we are not willing to sacrifice our culture or our national identity or the values of equity or solidarity or deteriorate the qualify of our standard of living and environment or put our political and social stability at stake for the sole purpose of achieving economic growth.

[Alfaro] President Frei concluded his speech by inviting the business people to do business in the country, and in this manner cooperate with the progress of Chile. He said the larger private investment is, the larger the public investment to overcome poverty will be. After President Frei finished his speech, the speakers were Finance Minister Eduardo Aninat, Economy Minister Alvaro Garcia, and Public Works Minister Ricardo Lagos. The following is a report from Arturo Harlen.

[Harlen] More than 100 of the most important world business people are meeting in Carreras Hotel this morning. They are getting familiar with the Chilean

conditions for foreign investment. This meeting gave an opportunity to the new ministers from the economic area to disclose their policies. Finance Minister Eduardo Aninat pointed out the private sector's participation in the country's development and explained the benefits offered by Chile to foreign investors. He noted that the new economic officials have made a commitment to maintain clear rules and the country's stability, especially for investors.

[Aninat] The stability of the rules, the continuity of growth, and the importance of investment and savings to create more and better jobs are basic commitments for this government. The Finance Ministry I head and the economic team in general will not fail to maintain the stability that was achieved with so much effort in the country.

[Harlen] Public Works Minister Ricardo Lagos said this government has the challenge of providing the country with an infrastructure compatible with a growth with social justice. He noted that ports, airports, and highways must be modernized. He said he has identified about 1,600 projects that are essential to achieve development. He said a large part of these projects will be given to private companies for their construction, which means a great opportunity for new business deals. Finance Minister Eduardo Aninat indicated that growth close to 4.5 percent is expected this year and that with this growth Chile will be completing 11 years of continuous economic growth. [end recording]

[Alfaro] I would like to note that President Frei will hold a luncheon for the participants of the meeting with world business people in the next few minutes. This is all the information I have from La Moneda Palace. Back to the studio.

Fruit Exporters Back U.S. Court Decision

PY1103183394 Santiago EL MERCURIO in Spanish 3 Mar 94 p B2

[Excerpt] Fruit Exporters Association President Ronald Bown and Fruits Producers Federation President Ricardo Ariztia have expressed satisfaction over the decision handed down on 24 February by the Philadelphia Appellate Court rejecting the jurisdiction immunity requested by the U.S. Government in the case of the "poisoned grapes" case. They said the only concrete possibility now is to continue the trial "come what may."

The two executives discard the possibility of reaching agreement with the Clinton administration. During recent negotiations with the Chilean Foreign Ministry, the U.S. Administration offered grants and general benefits that do not compensate the damage suffered by that sector. They noted they have not accepted this solution.

Ariztia said the judicial process involves about 2,200 producers and 108 export companies. He added that the private sector has invested more than $3 million in the legal process and that enough resources are left to carry on for at least one more year. Bown said the private fruit producers and exporters have demanded an indemnity of $212 million, while some shipping lines like the Sudamericana and importers in the United States want $230 million. [passage omitted]

Foreign Minister Views Ties With Bolivia, Cuba

PY1403151494 Santiago Radio Cooperativa Network in Spanish 1000 GMT 14 Mar 94

[Telephone interview by Foreign Minister Carlos Figueroa Serrano by unidentified reporter; date and place not given—live or recorded]

[Excerpt] [Passage omitted] [Reporter] Referring to some specific countries, it seems the path toward the resumption of diplomatic relations with Bolivia is being opened. Some people believe Cuba's isolation has hurt the Cuban people. What chances are there of resuming diplomatic relations with Bolivia and of establishing relations, at an ambassadorial level, with Cuba?

[Figueroa] I believe the first consideration in diplomatic relations are Chilean interests. Chile maintains relations with those countries that can help us to attain the political-economic objectives we seek. This must be considered when thinking about resuming relations. In the case of Bolivia, they broke relations with Chile, therefore, it is up to them to resume relations. In the case of Bolivia there is a climate of confidence, friendship, and even an economic cooperation agreement with that country. There are physical integration projects involving highways, port facilities, etc., that reveal the existence of a very good relationship between Chile and Bolivia at this moment. Let us hope it will lead to the establishment of diplomatic relations.

We maintain relations at a consular level with Cuba. We maintain commercial relations. Chilean businessmen are investing in Cuba and this must be considered when deciding to step up relations to an ambassadorial level, because a relationship does exist, as I have pointed out, at a consular level. [passage omitted]

Bolivian President's Remarks on Ties Viewed

PY1103170794 Santiago EL MERCURIO in Spanish 27 Feb 94 p C3

[Excerpts] The Chilean Government has indicated that it is fully prepared to begin a "new era" of relations with Bolivia by evaluating positively Bolivian President Gonzalo Sanchez de Lozada's most recent remarks about not tying any future step toward the resumption of diplomatic relations to the beginning of talks on Bolivia's lack of a sea outlet.

It has been explained, however, that the positive reaction of the Chilean Government does not imply that diplomatic relations will be resumed immediately.

Chilean politicians stated that Sanchez de Lozada's statement was "very positive" and praised the president's modern and daring approach.

Both government and political circles, however, agree that the remarks of the Bolivian president should be taken prudently bearing in mind that there are people in Bolivia whose position toward Chile and what they call "Bolivia's landlocked situation" is very hard and inflexible. [passage omitted]

Foreign Relations Under Secretary Rodrigo Diaz Albonico said: "We were very happy to hear what Bolivian President Gonzalo Sanchez de Lozada had to say."

Jorge Pizarro, speaker for the foreign relations committee of the Chamber of Deputies, believes that Sanchez de Lozada's remarks "are extraordinarily positive and reflect that the Bolivian president has a modern and daring approach to what relations between the states should be as far as the process of integration is concerned, in order to further the social and economic development of our peoples."

Experts in Bolivian-Chilean relations believe that rather than a change in Bolivia's foreign policy, there is a new and promising approach, confirmed by the fact the Sanchez de Lozada attended the Rio Group presidential summit in Santiago last year.

"After what Sanchez de Lozada said, it is assumed that this so-called 'new approach' will lead Bolivia to begin talks aimed at reestablishing diplomatic relations in the not too distant future," the experts said.

Despite the remarks of the Bolivian president, the sources are not sure whether Bolivia's strategy is to resume relations and immediately tackle the sea outlet issue or to deal with both issues simultaneously.

Chile does not acknowledge any pending issues between the two countries on the grounds that there are treaties in effect, especially the 1904 treaty, which establish the current border between the two countries. Thus, Chile did not accept any conditions when the resumption of ties was proposed in the past.

The Foreign Ministry under secretary pointed out that the Bolivian president used the expression "new era" which is the same one Diaz Albonico used when he went to La Paz last year. The under secretary said that this was highly significant.

As to Bolivia's new willingness to approach the resumption of diplomatic ties without first tackling its so-called "landlocked situation," Albonico said that Sanchez de Lozada's words should be studied carefully.

He added, however, that the remarks of the Bolivian president augur a change in the political relations between the two countries, that may free them from past problems.

Argentina Asked To Convene Controversy Mechanism

PY1203170394 Santiago EL MERCURIO in Spanish 2 Mar 94 p B3

[Excerpt] Chile has officially asked Argentina to convene the mechanism for solving controversies established in the 1991 bilateral economic cooperation agreement to discuss the recent Argentine decision to impose quality control measures on Chilean horticultural exports.

Economy Under Secretary Alvaro Briones announced the decision. He said the Foreign Ministry International Economic Relations Directorate presented the case to the Argentine Foreign Ministry asking for a special meeting of the Agreement Administration Council. The Chilean Government proposed holding the meeting in Buenos Aires on 7 March. [passage omitted]

Silva Hosts Reception for Slovenia's Peterle

AU1103175794 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 11 Mar 94

[Text] As a part of his official visit in Chile, Foreign Minister Lojze Peterle held several important meetings today. Among other things, he bid farewell to President Aylwin and attended a reception given by Foreign Minister Silva. On that occasion Peterle met with the chiefs of several foreign delegations that are staying in Santiago to attend the inauguration of the new Chilean president.

Minister Peterle also held talks with the director general of the international fair Feria Intersonal de Santiago about the possibilities to organize a Slovene-Chilean business conference.

Identity of Arrested Lautaro Leaders Confirmed

PY1203170594 Santiago EL MERCURIO in Spanish 1 Mar 94 p C6

[Excerpt] Official Investigative Police sources yesterday confirmed that two of the seven Lautaro Rebel and Popular Front (FRPL) militants arrested by Investigative Police intelligence agents occupy very important positions in the hierarchy of the terrorist organization.

They are alleged subversives Jose Luis Medina Soto and Omar Alejandro Hermosilla Marin, second and third in that terrorist hierarchy, respectively. It was reported that they, and the other group members, were preparing an "annihilation operation" against a bus of the 38th Carabineros Station in La Florida.

The individuals were captured on 23 February as a result of investigations launched by the police following the attack against the "New Spain" Carabineros premises in La Cisterna on 21 February and a series of other actions, such as bombings of political party offices. These actions were considered a reaction to the transfer of 45 prisoners, who are in jail on charges of terrorist activities, to the new maximum security prison.

The other FRPL militants captured with the first two were identified as Alma Magaly Victoria Salame Inostroza, Oscar Antonio Cruces Espinoza, Sergio Manuel Gonzalez Gonzalez, Ulises Antonio Manriquez Rojas, and Doris Marianela Ojeda Cisterna.

It was also established that the group had direct links with Mapu-Lautaro [United Popular Action Movement-Lautaro] top leader Guillermo Ossandon Canas, alias "Diego Carvajal," who is still at large. [passage omitted]

Manuel Rodriguez Front Regional Leader Arrested

PY1503032094 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0100 GMT 15 Mar 94

[Text] In Talca, Carabineros have arrested Misael Apablaza Basolado, 30, the third in command of the Manuel Rodriguez Front, FMR, Autonomous Faction. He was captured on Highway No. 5 at Talca, where he was going to contact other criminals, but was intercepted by Carabineros who already were alerted to his arrival.

The terrorist was wounded in one leg when he tried to escape. He was admitted to the Talca regional hospital, where he is recovering.

Apablaza is regarded by police as the FMR Autonomous Faction leader responsible for recruiting minors for the FMR Autonomous Faction.

Police Arrest 'Most Wanted' Drug Trafficker

PY1203031794 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0000 GMT 12 Mar 94

[Excerpts] The Investigative Police have arrested the most wanted drug trafficker in the country. Selin Valenzuela Galdamez, 49, has been at large since 1992, when he was indicted by the Swedish courts on charges of having financed many drug shipments, including 40 kg of cocaine hidden in packages of dried grapes.

Two other Chileans were sentenced in Sweden for the same crime. The Chilean police reported that Valenzuela has been involved in drug trafficking since the 1970's, but that his arrest had not been possible because he was using a false name.

An Investigative Police officer said that Valenzuela is undoubtedly the most wanted drug trafficker in the country because of his link with international rings.

Valenzuela was arrested in the city of Villa Alemana on charges of fraud against many companies for over 70 million pesos, and not because of drug trafficking. [passage omitted]

The police also arrested two of Valenzuela's partners, identified as Ruben Calderon and Raul Oyarsun. The police reported that they were using their money to build a luxury inn in the Fifth Region.

Navy Leader Announces Purchase of Transport Ships

PY1403221694 Madrid EFE in Spanish 1814 GMT 14 Mar 94

[Text] Santiago, 14 Mar (EFE)—Chilean Navy Commander Admiral Jorge Martinez Busch confirmed today that the Navy is about to purchase some units to renew its materiel.

Admiral Martinez Busch said the Navy is always concerned about renewing "the old ships, those that are already obsolete." He indicated that the units to be purchased are large ones.

He declined to indicate what type of units, although he mentioned they will be very useful to cover the long Chilean geography.

According to EL MERCURIO, it has been learned that the units are two 8,000-metric ton ships for transporting the Marine infantry and its equipment.

Martinez Busch added: "We will be able to provide support for isolated areas with large quantities of materiel. The naval units are not only war units but support units for all Chileans."

Last week the Chilean Air Force announced the purchase from Belgium of 20 Mirages to replace the old Hawker Hunter.

Colombia

Alleged Bishop-Guerrilla Meeting in Cuba Viewed

Newspaper Details Meeting

PA1403041994 Santa Fe de Bogota EL TIEMPO in Spanish 11 Mar 94 pp 1A, 16A

[Report by the judicial editorial staff]

[Text] Although high-ranking government spokesmen, the Cuban Embassy in Santa Fe de Bogota, and Ricardo Santamaria, Colombian ambassador to Cuba, said yesterday they had no information about a meeting between Colombian guerrilla members and church spokesmen in Havana, EL TIEMPO was able to obtain new and more revealing details thanks to the island's authorities.

The meeting between the Colombian Catholic Church bishop and FARC [Revolutionary Armed Forces of Colombia] commanders and spokesmen of the Francisco Caraballo Group and the ELN [Army of National Liberation] was scheduled for 1900 on 26 January, assistants to the meeting and state security spokesmen have told EL TIEMPO.

The meeting was held in building T-2, Zone 7, eastern Havana, and ended after 0100. It was attended by Ivan Marquez, Alfonso Cano, and Alberto Gutierrez Bermudez on behalf of the FARC; Leonel Pardo, on behalf

of the Francisco Caraballo dissidents; a labor leader and a rank and file church activist who identified themselves as ELN spokesmen; and the controversial Colombian bishop.

Marquez arrived in Cuba via Cancun accompanied by a man surnamed Velasquez, who claimed he is a leader of the Zapatista National Liberation Army [EZLN] in Mexico and one of the EZLN's activists with close ties to the newspaper EL PREGON.

Moreover, Alfonso Cano had arrived in Havana on 25 January aboard a Viasa, the Venezuelan airline, airplane. Several witnesses saw him in the airplane, "but I do not know if he boarded in Caracas or if he came in transit from Buenos Aires," one of them has said.

Gutierrez Bermudez, an FARC activist charged with coordinating operations in the Magdalena Medio area, had arrived in Cuba several weeks earlier, reportedly to organize the meeting.

The labor leader and the rank and file church activist, who later identified gvthemselves as ELN spokesmen and representatives, left Santa Fe de Bogota on 22 January aboard a Cubana de Aviacion flight.

The main topics reviewed during the meeting between the prelate and the guerrilla spokesmen are well known by the country: They reiterated the bilateral character of the conflict, the need for a joint truce, and the need to sponsor regional dialogues with the government.

Altogether, 31 Colombians—including Communist Party members and spokesmen of labor unions and facade movements that are charged with comprising the FARC and ELN urban intelligence network—left for Havana.

They had been invited to participate, between 23 and 28 January, in the "Fourth Latin American and Caribbean Congress for Our People's Solidarity, Sovereignty, Self-determination, and Life."

The topics for the meeting were the situation in Latin America; the popular forces' new tendencies for the construction of new democratic alternatives; the foreign debt as an instrument of infiltration and domination; the United States' economic policy toward Latin America and the Caribbean; and new forms of mechanisms for infiltration and domination, among others.

Other topics included th lack of an effective democracy for the peoples; U.S. policies on the threshold of the 21st century, and hemispheric influence within its permanent goals of world domination.

"This was a facade meeting, because it was actually a Colombian guerrilla group summit and a prolongation of the Sao Paulo Forum," a source has said.

According to other sources, the Sao Paulo meeting is a forum that has been held four times (Quito, Santa Fe de Bogota, Sao Paulo, and Havana), and it was always attended by spokesmen of the most radical leftist organizations in Latin America. This time the forum was used by the Colombian guerrilla groups to identify themselves and distribute their manifestos.

"The Colombian participants' election was so secret each person's passport was photocopied beforehand to guarantee an adequate selection. We were not given a visa, only a special invitation card so there would be no record in the passport," explained another source consulted by EL TIEMPO.

Another source has said: "Secrecy was necessary, because not everyone who attended the Latin American meeting was elected to participate in the private meetings."

"In fact, the bishop did not participate in the Latin American meeting, only in the other meetings."

EL TIEMPO was able to learn two private meetings were held: one, the summit held in Eastern Havana between spokesmen of the Simon Bolivar National Guerrilla Coordinating Board and the church prelate. The other one was an extension of the Sao Paulo forum.

The Sao Paulo forum was the main reason for the meeting, aside from the summit.

The forum was held on Saturday and Sunday once the Latin American meeting had concluded. The Colombian prelate was the guest of honor and, according to the sources, Fidel Castro's Government actively participated in it.

One of the sources has said: "It was an extension of the Sao Paulo Forum. The Mexican surnamed Velasquez identified himself as an EZLN activist, and the Peruvian whose surname is Castillo said he was Shining Path's political organization secretary. [no closing quotation mark as published]

"That is where the FARC leaders, the labor spokesman, and the rank and file church activist who claimed he was an ELN member identified themselves."

Another participant revealed to EL TIEMPO yesterday Gutierrez, Pardo, and the ELN activists were the ones who distributed a pamphlet entitled "Political Declaration of Our VII Summit: Simon Bolivar Guerrilla Coordinating Board" once the summit had ended.

What did the proclamation say? Signed by the FARC, the ELN, and the Caraballo Group, the one-and-a-half page document read: "The national security doctrine, an arrogant Presidency, and an aggressive militarism still comprise the state's backbone with the 1991 Constitution...."

"We state our solidarity with the heroical Cuban people in their struggle against imperialism, their defense of socialism, and the homeland's dignity...." (See annex)

Editor's note: EL TIEMPO tried many times yesterday to contact the prelate who attended the meeting, but he could not be located, so his name is omitted in this edition.

Cuban Envoy Issues Denial

PA1403180294 Santa Fe de Bogota EL TIEMPO in Spanish 11 Mar 94 p 17a

[Text] In a news conference that was called following the publication of a news article in EL TIEMPO yesterday, Cuban Ambassador Jesus Martinez Beaton said that "it is not true that the Simon Bolivar National Guerrilla Coordinating Board participated in a guerrilla summit in Havana" or that the Cuban Government has set up an office for the Colombian guerrillas in the Cuban capital.

The diplomat repeatedly said that reports on the alleged office are "pure fantasy, speculation." He confirmed that the summit mentioned by EL TIEMPO was the Fourth Latin American and Caribbean Meeting of Solidarity, Sovereignty, Self-Determination, and the Life of Our Peoples, which was convened by the government and which was held in Havana between 2 and 28 January 1994.

He said 25 Colombian delegates attended the event, of which previous editions were held in Quito (Ecuador), Santa Fe de Bogota, and Sao Paulo (Brazil). Some of them were: Guillermo Munoz from the AD/M-19 [19 April Movement Democratic Alliance]; Beatriz Zuloaga from Patriotic Union; Jaime Cedano and Miguel Gonzalez from the Communist Party of Colombia; and Manuel Rodriguez Garcia, labor union leaders from Telecom [Colombian Telecommunications Enterprise].

According to the list released by Ambassador Martinez Beaton, others who attended the event were: Alberto Rivera, Alejandro Motato, Ana Maria de Villate, Antonio Jose Villate, Antonio Morro, Fidel Castro, Francisco Carbajal, Isabel de Guevara, Jairo Guerrero, Jorge Ortega, Luis A. Garcia, Luis Eduardo Vargas, Luz Ramirez, Nohora Espinal, Oscar Garcia, Rafael Espinosa, Rafael Ivan Forero, Fierbo (sic) Tulio Casas, Teddy Reyes, and Victor Manuel Bautista. The diplomat said all of them are persons linked to labor unions as well as social and peasant organizations that operate in Colombia.

"It is totally false that it was a meeting of guerrilla representatives; this is an event that is not secret and that is why our embassy processed the visas normally," he said. He said Cuba is not currently involved with Colombian guerrilla groups because "we have honest and sincere plans to achieve maximum relations with Colombia, and it is not our policy to interfere in the domestic affairs of other countries."

Ambassador Martinez said these persons arranged their trip through travel agencies, but admitted not knowing if there is a Colombian bishop among those mentioned on the list because "we do not investigate each person." He said he does not believe persons other than the ones mentioned on the list traveled to Cuba without the Cuban Embassy's knowledge because his government has very strict security and control measures to determine who participated in the event. The diplomat insisted that "no meeting by Colombian guerrilla representatives was held in Havana; there was no church participation nor any attempt to discuss the internal situation of Colombia in the framework of the event or outside the event."

Finally he pointed out that his immediate reaction to the report was due to the fact that "we have excellent relations with the Colombian Government and what appears to us is that there may be attempts to spoil this harmonious relation."

Episcopal Conference Head Denies 'Summit'

PA1203045294 Madrid EFE in Spanish 2247 GMT 11 Mar 94

[Text] Santa Fe de Bogota, 11 Mar (EFE)—The Colombian Catholic Church has not sent bishops to meetings with guerrillas in Cuba, said Pedro Rubiano Saenz, president of the Colombian Episcopal Conference, today.

Rubiano, Cali archbishop, told Radio Cadena Nacional (RCN) the local media which had published information on the bishops' attendance to a "summit" with Colombian rebels in Havana should give the names of the alleged participants.

The priest categorically denied Nel Beltran, bishop of Sincelejo (northwest Colombia) and mediator between the government and rebels, had traveled to Cuba, as reported by the Santa Fe de Bogota media.

The worst thing that can happen to the nation during this election period is not to say the truth, said the president of the Episcopal Conference when referring to the conflict caused by the bishops' participation in talks with rebels.

Rubiano Saenz added "there must be an intention behind the news that are given in that manner, with half truths, as they remain up in the air."

Several Santa Fe de Bogota dailies and newspapers published on 8 March photographs of Luis Madrid Merlano, bishop of the Tibu petroleum area (northwest), meeting with guerrillas in the mountains. The priest explained these were "pastoral dialogues" seeking peace in his region.

Gaviria Reacts to Reports

PA1303152794 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1400 GMT 13 Mar 94

[Report by Juan Carlos Mateus from Narino Palace; from the "Caracol's 0600 to 0900" newscast]

[Text] President Cesar Gaviria, after casting his vote today for congressmen and the official Liberal Party presidential candidate, reacted to reports that members of the Simon Bolivar National Guerrilla Coordinating Board participated in a human rights summit in Cuba:

[Begin Gaviria recording] No, what we have at this time...[pauses] there is no evidence, at least the government has no evidence that a decision of that nature was made. Obviously, due to international [words indistinct] we cannot take action until the news is verified. [end recording]

The president urged Colombian citizens to vote en masse to elect senators, representatives, and the Liberal Party's presidential candidate for the 1994-1998 term.

Minister Denies Meeting

PA1303163594 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1400 GMT 13 Mar 94

[From "Caracol's 0600 to 0900" newscast]

[Text] Santa Fe de Bogota—Government Minister Fabio Villegas Ramirez said today that Colombia will not suspend diplomatic relations with Cuba over an alleged meeting of guerrilla leaders that never took place. There was no such meeting, and the government does not expect any break in relations, the minister told the Caracol network in reference to a report published by the newspaper EL TIEMPO.

President Cesar Gaviria de-emphasized the issue and said there is no evidence of a guerrilla summit in Havana.

Minister Villegas also commented on the implementation of security operations during the elections, saying that they are going smoothly without major problems despite certain incidents.

Cooperation Accords Strengthen Ties With Cuba

PA1503005794 Santa Fe de Bogota EL NUEVO SIGLO in Spanish 10 Mar 94 pp 1A, 15A

[Excerpt] While hundreds of Cuban exiles gathered in Miami in front of the Colombian Consulate to protest the sale of oil to Fidel Castro's regime, the government of President Gaviria was bolstering its trade relations with the dictator by signing several farm and fishery cooperation agreements.

Yesterday, the Agriculture Ministry announced that in addition to petroleum Colombia will sell rice and African palm oil to Cuba within the framework of new negotiations. Later, Colombia will also export other products, including pork, chicken, and grain. In exchange, Colombia will receive technological and scientific advice for the agricultural and fishing sectors.

To strengthen relations with the Castro regime, Deputy Agriculture Minister Santiago Perry Rubio; Jose Ernesto Macias, the ministry's marketing director; and several officials from the Colombian Corporation for Agricultural Research [Corporacion Colombiana de Investigacion Agropecuaria], the Veterinarian Products Enterprise [Empresa de Productos Veterinarios], the National Fisheries and Agricultural Institute [Instituto Nacional de Pesca y Agricultura], and the Colombian Agricultural-Livestock Institute met with Cuban Agriculture Minister Alfredo Jordan Morales and Cuba's vice ministers of agriculture—Daniel Fajardo Cubelo and Abilio Cardenas Garcia.

The main types of cooperation agreed upon by the two delegations include Cuba's designing, building, and starting operations at a pilot fermentation plant to produce means of biological control [medios de control biologicos]; setting up a joint project to obtain banana varieties resistant to black sigatoka; and holding negotiations on ways to produce rice and palm oil on the island.

Also, Colombia agreed to cooperate in developing solar energy and wind power in Cuba and to give advice in the field of veterinarian medicine. Colombian Agriculture Minister Jose Antonio Ocampo will soon meet with his Cuban counterpart Alfredo Jordan Morales in Havana to ratify these agreements. [passage omitted]

People's Militia Proposes Peace Negotiations

PA1403170494 Santa Fe de Bogota EL TIEMPO in Spanish 8 Mar 94 p 8A

["Text" of letter sent by the People's Militia from Ciudad Bolivar in Santa Fe de Bogota to Government and Interior Minister Fabio Villegas; date not given]

[Text] As militiamen of Ciudad Bolivar, being aware of the country's need to test peace formulas to finally overcome the ghost of violence and riding on the current climate that favors political and social detente, we propose a new peace process with the various protagonists of a warlike confrontation, whose stage is the biggest belt of abject poverty in Latin America.

We are a handful of men and women who, by taking up arms, found an answer to the oblivion into which the state plunged us, to the daily hunger, and to the lack of public services to reaffirm our condition as decent human beings. On other occasions, we resorted to arms in self-defense of the criminal behavior of police authorities who are killing the future of Ciudad Bolivar: its youth.

We believe that now is a propitious moment to stop, pause for the sake of coexistence to find different ways to face despair and anguish; we urge communities to join efforts and the national and district governments to adopt a new attitude to rescue this vast zone known as Ciudad Bolivar.

For us, peace negotiations at this location only make sense insofar as they bring about social investments by

the state to settle the social and human debt that Colombia and Santa Fe de Bogota owe to Ciudad Bolivar.

Meeting Between Prosecutor, Traffickers Reported

94WD0248Z Santa Fe de Bogota SEMANA in Spanish 22 Feb 94 pp 34-35

[Text] Amid the controversy stirred up by the news about Prosecutor General Gustavo de Greiff meeting with three alleged drug traffickers from the so-called Cali Cartel, another confusing episode involving that organization was revealed last week by the news program "Noticiero QAP" and the newspaper EL ESPECTADOR.

According to those news sources, the Prosecutor General's Office served as a middleman to facilitate peace talks between the Cali Cartel and what is left of the Medellin Cartel, whose members are reportedly seeking to put an end to the war they have been waging for several years.

According to "QAP" and EL ESPECTADOR, on Wednesday, 16 February, a meeting that was initially scheduled as a continuation of questioning turned into a friendly encounter between Carlos Mario Alzate Urquijo, "El Arete" [earring], Carlos Aguilar Gallego, "El Mugre" [grime], their attorneys, and Luis Guillermo Angel Restrepo, apparently a liaison with the Cali Cartel. The meeting was reportedly held at the office of Cruz Helena Aguilar Echeverry, chief of the Drug Trafficking Unit of the Regional Prosecutors Office.

Although there has been speculation recently about a rapprochement between the members of the two cartels, especially since the death of Pablo Escobar, this is the first time anyone has heard of a formal meeting between arrested members of the Medellin Cartel and an emissary from the Cali Cartel in the presence of a judicial authority.

On orders from Prosecutor Aguilar, the two arrested men were transferred from La Picota to the Regional Prosecutors Office to participate in the continuation of questioning. "El Arete" and "El Mugre" and their attorneys arrived at Aguilar's office after 0915. Aguilar took them right in, declining to use the special cubicles that are used to ensure that the declarants do not recognize their interrogators. Instead, she took them into the conference room next door to her office.

While the prosecutor, the arrestees, and their attorneys were speaking informally, Luis Guillermo Angel Restrepo appeared. "El Arete" and "El Mugre" recognized him and told him of their concern about the war they have been waging against members of the Cali Cartel, and their desire to reach peace between the two sides. "This war has screwed us all," one of the arrestees said.

What was originally scheduled as an official appearance for questioning ended up being "a veritable orgy," in the words of EL ESPECTADOR. Indeed, at about 1445, "El Arete" sent out for 40 boxes of chicken and 40 soft drinks for those who were present at the questioning as well as the security personnel. By the end of the afternoon, Angel Restrepo left the office having pledged to travel to Cali and seek a real rapprochement between the two sides.

The arrestees reportedly told Prosecutor Aguilar that they were worried about the charges against them and reiterated their willingness to cooperate with the authorities.

This news also surprised the prosecutor general. Although at first he denied that members of the two cartels had met in the presence of one of his subordinates, he ended up admitting that the prosecutor knew "El Mugre" from before, because they had gone to grade school together. He stated, however, that this would not prevent her from carrying out her judicial duties.

De Greiff termed the first reports by the media "monstrous," but he warned that the Prosecutor General's Office cannot allow itself to be used for this kind of activity, which seriously tarnishes the institution's image. He also explained that an entity with primarily judicial functions cannot be used as an intermediary between criminal organizations.

Aside from the anecdotes emerging from the meeting, the greatest concern is that some of what little evidence has been gathered against the two cartels is based on information provided by the Cali people against the Medellin people and vice versa. Therefore, an agreement between these two groups could turn into a mutual pact of silence, to the obvious detriment of the investigations.

Roberto Escobar Reportedly Intends To Reorganize

PA1403201794 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 12 Mar 94

[From the "NTC News" newscast]

[Text] According to a report that "NTC News" has obtained, Roberto Escobar plans to reorganize the Medellin Cartel's terrorist network from the Itagui jail. After Pablo Escobar's death, a struggle took place within the Medellin Cartel for its control. As a result, Roberto Escobar was attacked. It is believed a group under the leadership of Fidel Castano, alias Rambo, was behind this attack. Gustavo Tapia, alias Techo; Luis Carlos Molina Jepes; Miguel Angel Builen; and (?Mickey Ramirez) comprise the group.

The members of the splinter group hit by Pablo Escobar are demanding the return of their properties that were seized and $20 million. To meet these demands, Pablo Escobar's widow Maria Victoria Henao; her brother Fernando Henao, alias Hierbas; and those incarcerated

in the Bogota jails, Carlos Mario Urquijo, Fernando Pozada Fierro, Luis Carlos Aguilar, and Gustavo Gutierrez Arrula have reached an agreement through attorneys to return all the properties. This group, under the leadership of Rafael Galeano and Mireya Moncada, are supported by the Cali cartel and Fidel Castano. In addition, they demand that all the properties of all the cartel members who are incarcerated be returned as compensation for the deaths of their relatives. This agreement has been accepted by some of the incarcerated individuals and by Pablo Escobar's widow.

Roberto Escobar, as successor to the Medellin Cartel chief, however, does not accept this agreement. Therefore, he wants the inmates to be transferred from Santa Fe de Bogota to Medellin to reorganize and reactive the militias and the gangs that have always operated with Medellin Cartel funds.

Liberal Party Leader Remarks on Primary, Campaign

PA1503043194 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 15 Mar 94

[From the "24 Hours Newscast"]

[Text] Ernesto Samper, sole presidential candidate for the Liberal Party, received 1,245,000 votes, approximately 50 percent, in the primary according to the most recent figures from the Registrar's Office. Raul Gutierrez has talked with him about the vice presidency, the Liberal Party leadership, and the government.

[Begin recording] [Gutierrez] Will you replace former President Turbay in the party's national leadership?

[Samper] This depends on Dr. Turbay. I have said he played a very satisfactory role in the management of the primary, as indicated by Sunday's results. His staying in office will depend on his own decision.

[Gutierrez] Will Ministers Villegas and Santos be included in the campaign team?

[Samper] If they would like to cooperate with me, they will be welcome in the campaign. I would appreciate their effort very much.

[Gutierrez] How will you play the vice presidency card?

[Samper] I will select the person I think can take my place according to the Constitution in case of a necessary absence.

[Gutierrez] Lleras de la Fuente or Pedro Gomez?

[Samper] There is a list of names on which I am working.

[Gutierrez] How will you reconciliate yourself with your adversaries of yesterday?

[Samper] With programs. I think the idea is not to reach bureaucratic agreements, rather, to identify ourselves with a subject that became the common denominator in our campaign—social policy.

[Gutierrez] Don't you think the high rate of abstentionism poses a risk when you run against Pastrana in May?

[Samper] No, because abstentionism is not caused by Pastrana, rather, objective factors that we will naturally have to correct gradually.

[Gutierrez] What did the government do for your campaign for your candidacy to be successful?

[Samper] Nothing, except remain neutral. I did the rest. [end recording]

Report Views Results of Congressional Elections

PA1403200094 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 14 Mar 94

[From the "National Newscast]

[Text] The new Congress will be installed on 20 July. One significant development is that the country has returned to a two-party system. The results of yesterday's elections were very similar to those of 1991. In the Senate, the Liberal Party retained 59 percent of the seats, and the Conservative Party won 28 percent. The supra-party system fared poorly, with the virtual disappearance of the AD-M-19 [19 April Movement Democratic Alliance] and the National Salvation Party. Christian movements received 5 percent of the seats, enhancing their importance in the Senate. The democratic left, in almost all its forms, is headed for extinction. As for the Chamber of Representatives, Liberals retained 55 percent of the seats, and Conservatives picked up the 7 percentage points lost by the AD/M-19.

In effect, nothing is new, and we can expect the usual from Congress as the degree of changes seems to have been minimal.

Roundup of Colombian Electoral Developments

PA1103175194

[Editorial Report] The following is a compilation of reports on developments related to the Colombian elections, scheduled for 8 May 1994.

Presidential hopefuls expressed their opinions on whether tax evaders should be jailed. Humberto De la Calle said that fiscal policy should specify jail sentences for tax evasion, especially now that illegal enrichment is an important issue. Carlos Lemos Simmonds said he also favors harsh punishment for tax evasion. General Miguel Maza Marquez said tax evaders should be jailed, but he added that other measures are also necessary. (Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 3 Mar 94)

Humberto De la Calle criticized Ernesto Samper's reluctance to debate him, saying that Samper lacks a firm

willingness to make changes and to establish a truly independent position. De la Calle also criticized Samper's plans to reimpose certain taxes and to eliminate international agreements signed with Venezuela and Ecuador. He also claims that candidate Samper is contradictory; for example, Samper advocated the legalization of drugs, then changed his mind.

Lemos Simmonds criticized candidates who are avoiding debates. He said that the Liberal Party and the Colombian voters are the losers because the election will involve more guesswork. Carlos Lleras de la Fuente also criticized those who have avoided a debate between New Democratic Force Candidate Andres Pastrana and Liberal Party candidates.

For his part, Pastrana reaffirmed his intention to defend and support coffee growers during his administration while on a tour in Caldas Department. Pastrana called for education reforms and added that women should play the role they deserve in society. (Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0130 GMT 6 Mar 94)

According to the most recent poll by the National Consultation Center, Samper and Pastrana are tied. Samper claims he continues to lead the polls and is quite confident he will win the elections. He denies claims that Pastrana is doing well even though Pastrana does not have an electoral mechanism behind him yet. Samper said that such mechanisms are becoming less important in modern elections because Colombians are not stupid.

Pastrana campaign manager Luis Alberto Moreno said that Samper's popularity is decreasing and that Pastrana's is on the rise. (Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 7 Mar 94)

All presidential hopefuls closed campaigns in public squares on 6 March. Pastrana visited several municipalities in Caldas Department, where he promised to support coffee growers. Gen. Maza Marquez visited Villavicencio and Suba, where he said peace can be consolidated through the development of social policies. Samper visited Barranquilla, where he vowed to fight poverty. De la Calle visited Santa Fe de Bogota, where he said that his administration will be characterized by investment. Antonio Navarro of the 19 April Movement Democratic Alliance closed his campaign in Medellin by saying he will do whatever it takes to see that no child goes to bed hungry in Colombia. Lemos visited Cucuta, where he vowed to open a university. Liberal Party hopeful Rodolfo Gonzalez visited Bucaramanga and insisted on a dialogue between the guerrillas and the government. Conservative Party hopeful Gabriel Melo Guevara registered his presidential candidacy before the overseer of the national treasury and presented the accounting books for his campaign and a copy his income tax return. (Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 8 Mar 94)

Investment Promotion Agreement Signed With UK

PA1103182794 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 10 Mar 94

[From the "24 Hours" newscast]

[Text] Early this morning, Colombia and Great Britain signed an agreement to promote and protect investments, just as the "24 Hours" newscast has already mentioned in an exclusive report.

The article on compensation, which had originally delayed the signing of the agreement eight months ago, now reads as follows:

Principle of expropriation with just, adequate, and effective compensation—by virtue of this principle acknowledged by the Constitution, the state will not expropriate, unless it is of public or social interest, foreign capital investments in a discriminatory manner or without previously paying fair, adequate, and effective compensation.

According to some experts, this article runs against the spirit of Article 58 of the national Constitution, according to which there can be special compensations for the sake of equity. Nevertheless, in the agreement signed today in London, Colombia promised to always pay compensation. Despite changes made to the article that had prompted Britain's original refusal to sign the accord, there still places in which it contradicts the national Constitution. These contradictions likely will come up when the Constitutional Court and Congress review the agreement.

[Begin recording of constitutional expert Luis Carlos Sachica] A fair, effective, and adequate compensation might turn out to be completely different from what the Constitution says considers prior compensation—compensation in which the interests of both the community and the affected parties are taken into consideration. [end recording]

The new agreement basically seeks to protect the interests of British investors.

New Program Targets Rural Unemployment

94SM0246A Santa Fe de Bogota EL ESPECTADOR in Spanish 13 Feb 94 p 6B

[Article by Myriam Astrid Montoya: "62 Billion Pesos for Rural Employment"]

[Text] Between September of 1992 and the same month in 1993, the number of unemployed persons in rural areas rose 12.2 percent.

The 246,101 unemployed workers were joined by another 30,000 now searching for a way to earn a few pesos to dig themselves out of the "hole" they are in.

Unemployment has turned into one of the most serious consequences of the crisis faced by the agricultural sector in the past three years, especially in the case of such crops as cotton, sorghum, tobacco, rice, and coffee. Given the loss of profitability and the smaller crop area planted, the demand for workers has plummeted.

The national and municipal governments are both rushing to launch a large number of projects of common benefit in order to provide remunerative jobs for those out of work.

Resources available this year total some 62 billion pesos, money it is hoped will generate roughly 6.2 million days of work, the equivalent of 24,800 full-time jobs.

Emergency Measure

The Ministry of Agriculture came up with the idea as a result of its analysis of the difficult social situation created by the crisis in agriculture.

After examining the alternatives last year, the ministry designed an emergency program to create jobs by undertaking labor-intensive projects that would benefit the community such as roads, aqueducts, and reforestation.

The government's Program To Generate Rural Employment (PGE) was formally approved by CONPES [National Council for Economic and Social Policy] in June and went into operation in September 1993, when it was given a budget of $900 million.

Ricardo Vargas del Valle, adviser to the minister and director of the PGE, explained that the resources were incorporated into the DRI [Integrated Rural Development Program] Fund. The latter then drafted a fiduciary contract (the first of its kind) for its management by the Fiduciary Department of the People's Bank.

However, since the projects are to be cofinanced, the municipalities standing to benefit from them contributed another 1.3 billion pesos, raising the sum available in 1993 to 2.2 billion pesos.

Vargas del Valle said the resources should be made available during the first half of this year and thus help relieve unemployment problems in the departments of Atlantico, Cesar, Cordoba, Magdalena, Sucre, Meta, Risaralda, Huila, and Tolima.

However, the funds supplied by the PGE directly are not the only resources. Vargas del Valle also noted that some 32 billion pesos were allocated in 1993 to finance rural development projects in the same regions through entities such as the DRI, Agrarian Fund, PNR [National Rehabilitation Plan], and Himat.

When last year's balance is combined with these two sources of funding, projects on the drawing board will provide 3.4 million days of work.

More Money for 1994

In addition to these funds and projects, the General Rural Employment Program starts this fiscal year with a budget of 6 billion pesos in the DRI. When that sum is combined with cofinancing from municipalities, the total is 12 billion pesos.

When one adds the 52 billion channeled through other national and territorial entities via labor-intensive rural development programs, the grand total for 1994 is 62 billion pesos.

The departments benefiting from this new allocation are Atlantico, Bolivar, Sucre, Cesar, Tolima, Huila, Caldas, Risaralda, Valle, Cauca, Meta, and Narino.

It is estimated that projects planned using this year's funding will provide 6.2 million days of work.

Details

Explaining just how the program operates, Vargas del Valle said that after identifying the most urgent areas and assigning priorities to projects, the DRI is ordering the fiduciary enterprise to negotiate the respective contracts with the municipalities.

The latter will in turn hire local workers, which means that the projects will take longer and be somewhat more costly. Specialized personnel are excepted from this rule.

Programs eligible basically include roads, aqueducts, marketing, housing, reforestation, irrigation, agroindustry, and fish farming, as well as special projects for the integrated management of drilling.

Foreign Oil Firms Must Leave When Contracts End

PA1303174094 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 10 Mar 94

[From the "National Newscast"]

[Text] The State Council has touched on the most sensitive issue for multinational oil companies in Colombia by ruling that those companies must leave when their contracts expire. Guido Nule Amin, energy and mines minister, fears that the decision will scare away foreign capital.

The State Council's decision to eliminate the possibility of automatically renewing grant contracts signed with Colombia fell on the foreign oil companies like a bucket of cold water.

[Begin Shell official Luis Enrique Conde recording] Shell has asked the Colombian Government to extend its contract for 10 years beginning in 1994. Considering the points we have mentioned, Shell expects the government to grant the extension. [end recording]

Guido Nule Amin, mines and energy minister, believes the ruling jeopardizes foreign investment in Colombia.

[Begin Nule Amin recording] The disadvantage that the ministry and the government see in this ruling is that it weakens the relationship with and the expectations of foreign investor companies. [end recording]

Five contracts signed between Ecopetrol and the multinational corporations Esso, Texpet, Jocol, and Petronor, which extract crude oil in Lower, Middle, and Upper Magdalena and in the Catatumbo Basin, will expire this year. Ecopetrol will take over all installations and oil fields now in the hands of those companies.

FEDESARROLLO Surveys Industry Performance

94SM0244A Santa Fe de Bogota EL ESPECTADOR in Spanish 8 Feb 94 pp 1-2B

[Article for EL DIARIO ECONOMICO]

[Text] The results yielded by the main variables of the Employers Opinion Poll conducted by the Federation for Higher Education and Development (FEDESARROLLO) show that during the first half of 1993, industry encountered serious difficulties that were reflected in a slump in levels of economic activity, but that tended to turn around during the second half of the year.

August marked the beginning of a recovery in terms of levels of losses and reductions in inventories, and increasing numbers of employers reported a more favorable economic situation.

They were also more optimistic about the country's economic and sociopolitical conditions that would them to carry out investment programs.

All of these responses were taken from the private economic research firm's monthly poll of over 400 industrialists in the country's main development sectors.

When one takes a closer look at the various subsectors, however, the results are highly dissimilar.

On the one hand, some sectors were helped by the vigorous growth in internal demand.

These sectors produce goods not easily marketed abroad, and their activities are linked to the production of durable consumer goods, construction in particular.

This group includes industries that produce cement and building materials, wood and manufactured products made from wood, equipment, and electrical items.

On the other hand, thanks to the recovery of exports, another group managed to reverse the levels of losses suffered during the first half of the year.

This group includes plastics manufacturers and printing shops and publishing houses.

By the month of October, plastics exports had increased in value by 68 percent, which can be explained by the vigor of sales to the United States and the Andean Group. Sales of publishing houses and printing shops rose 4 percent.

To a lesser extent and more as a reaction to the domestic market, a recovery was visible among producers of processed foods, porcelain and glass, basic metals, metal products, and nonelectrical machinery.

This last group includes sectors greatly affected by the economic liberalization program [apertura] and the revaluation of the peso. Many were able to compensate—although only partially—for their loss of domestic market shares by increased exports to neighboring countries. They are the textile industries, leather and manufactured leather goods, paper and cardboard, industrial chemical substances, and rubber products.

Textiles found a better market in Venezuela with a 90-percent increase in sales. Likewise, producers of leather goods (excluding shoes) sold 123 percent more to that country than during the same months of the previous year.

Paper mills sold 78 percent more products to Venezuela and 60 percent more to the rest of the Andean Group countries.

Sales to Venezuela by manufacturers of industrial chemical substances dropped 16 percent, but rose to Peru, Ecuador (17 percent), and other South American countries (over 20 percent).

Special mention should be made of the transport equipment and materials sector, which joined with construction in leading the sector throughout 1992, substantially reducing their level of losses starting in the first quarter of 1993.

Nevertheless, levels of production and orders at the end of the year are far higher than they were previous to 1991. This sector benefited greatly from the liberalization of trade since it was able to import consumable expenditures at a lower cost. It was also aided by lower interest rates and the expansion of credit that boosted demand.

Nevertheless, the high levels of sales of national and imported vehicles in late 1992 and early 1993 came in response to demand, which explains the abovementioned behavior of this industry's main indicators.

It is one more sector that benefited from expanded access to the Venezuelan market: During the first 10 months of 1993, exports rose by 143 percent.

Finally, the results of the poll show that the utilization of the installed capacity of industry in 1993, 77.2 percent, did not suffer major variations in terms of its behavior over the past five months. However, that figure did increase for beverages, ready-to-wear, leather, plastics, cement, and glass and porcelain.

Correction to Banco Latino Scandal

PA1003153594

The following correction pertains to the item headlined "Venezuela's Banco Latino Scandal Reaches Colombia," published in the 10 March Latin America DAILY REPORT, page 40.

Column one, paragraph four, first sentence make read: ...are in Colombia. Lermi Mendoza—the mastermind behind all of the legal machinations to obtain unsecured loans, loans obtained by way of false documents, and all operations carried out by front men—is in Colombia, along with his wife... (rewording sentence)

Ecuador

Duran-Ballen Wants Dialogue With Peru

PA1203043894 Hamburg DPA in Spanish 1636 GMT 11 Mar 94

[Text] Quito, 11 Mar (DPA)—Replying to Peruvian President Alberto Fujimori's remarks of 10 March, President Sixto Duran-Ballen reiterated today Ecuador's willingness for dialogue and cooperation with Peru as a mechanism to resolve "pending territorial issues." Commenting on Fujimori's remark in Santiago, Chile, saying "the territorial issue between the two countries is a settled matter," Duran Ballen said: "There are two viewpoints on the territorial issue between Ecuador and Peru."

According to a communique released in Quito today, Duran-Ballen said: "Dialogue can help us attain the greatest possible rapprochement and understanding between the respective positions of both countries." The Ecuadoran president is in Santiago to attend Chilean President-elect Eduardo Frei's swearing-in ceremony.

Peru says the territorial disputes between the two countries were settled through the Rio de Janeiro Protocol, but Ecuador questions the protocol's validity due to the special circumstances under which it was signed in January 1942 and because the protocol is nonexecutable as the result of its inherent geographical errors.

Duran-Ballen and Fujimori were scheduled to meet in Lima by late 1993, but an alleged disagreement on the agenda prevented setting the date for Duran-Ballen's trip, which is still pending and which would be the first one to be made by an Ecuadoran president to Peru in the two countries' nearly two centuries of independent existence.

Legislators React to Fujimori on 'Border Problem'

PA1203045194 Quito Voz de los Andes in Spanish 2300 GMT 11 Mar 94

[From "The Voz Andes Newscast"]

[Text] Legislators from diverse political parties have questioned the position of Peruvian President Alberto Fujimori who denied there was a border problem between Peru and Ecuador. Fujimori, who attended the presidential inauguration in Chile, stressed that the Rio de Janeiro Protocol is an international treaty and therefore ironclad. The parliamentarians said Ecuador does have a border problem, therefore, it should insist on finding a sovereign and graceful outlet to the Amazon. The Rio de Janeiro Protocol which benefits Peru should be annulled.

The statements by President Fujimori in Chile on the Rio de Janeiro Protocol have caused uneasiness in Ecuadoran political circles. Deputy Carlos Vallejo said it was advisable for the Executive Branch to continue handling the matter through the Foreign Ministry.

[Begin Vallejo recording] As I have always said, this is an issue we must let the Executive Branch handle through the Foreign Ministry. This branch is the representative that must deal with international matters and our problem with Peru. [end recording]

Nevertheless, for Independent Deputy [name indistinct] the problem of the Rio de Janeiro Protocol is a political problem used during election time.

[Begin independent deputy recording] Of course, Peru will never accept the existence of a border problem. If we were in their shoes we would not accept the existence of a border problem either. When I was a young boy we absolutely thought that the only way for us to recover our territory was by force, that the Peruvian people were spineless, and that we had enough force, interest, and courage to occupy that territory. It has been handled politically for the past 50 plus that the Rio de Janeiro Protocol has existed. It is time to be honest. Let us stop handling this politically and much less during preelection time. We must put our hands on our hearts, think honestly and rationally and realize that the only way to have our outlet to the Amazon is by the diplomatic road. We must bring about that the Peruvian Foreign Ministry, the Peruvian Government, and the Peruvian people—brothers as they now feel of the Ecuadorans—grant us the renewal of that right we have; that is to navigate along the Amazon River. [end recording]

Fujimori reiterated in Chile that the Rio de Janeiro Protocol is completely valid. These statements prompted several political sectors to say there is no reason for our President Sixto Duran-Ballen to travel to that nation. Other deputies also expressed their points of view on this issue. Democratic Left Deputy Antonio Rodriguez said that the Ecuadoran Government should ratify that the Rio de Janeiro Protocol signed in 1942 is null. Our position, he said, should be unyielding in upholding that the Rio de Janeiro Protocol is null and that there is a territorial conflict that in no way seeks an armed solution. Rather, it wants to draw attention to holding a permanent dialogue.

Meanwhile Republican Deputy Abraham Romero indicated that Peru's position that no border problem exists, is not in keeping with reality. The thesis that there is a problem cannot be wiped out, he said. A solution must be found promoting dialogue, he noted. Former Congress President Carlos Vallejo also said it was unacceptable for the Peruvian president to ignore the fact that there is a border problem. They themselves have sought—through the protocol's guarantors—a solution to the crisis, he noted. Carlos Vallejo also said that the two communities should reach an honorable agreement that will allow the two nations to act with dignity without giving up the rights over the Amazon River.

Accord With Switzerland Prevents Double Taxation

PA1103183394 Quito Voz de los Andes in Spanish 2300 GMT 10 Mar 94

[From "The Voz Andes Newscast"]

[Text] The international economic community is watching Ecuador closely and has confidence in the country and the macroeconomic policies instituted by the national government, a Foreign Ministry press bulletin has announced. The bulletin was issued on the occasion of the conclusion of negotiations for an agreement between Ecuador and Switzerland to prevent double taxation.

Approximately 70 companies and capital enterprises from the Swiss Confederation have invested or are investing $30 million in our country. This represents 7 percent of the total of direct foreign investments in Ecuador. This amount is surpassed only by Swiss investments in Argentina.

Paraguay

Bolivian President Arrives on Official Visit

PY1403220494 Asuncion ULTIMA HORA in Spanish 14 Mar 94 p 11

[Excerpt] Bolivian President Gonzalo Sanchez de Lozada arrived at Silvio Pettirossi international airport this morning. He said: "During this visit we will close agreements that will be remembered for a long time." Sanchez de Lozada was accompanied by his wife and a large entourage of businessmen. He was received by President Juan Carlos Wasmosy. According to Sanchez de Lozada, natural gas and the two countries' road connection will top the presidents' agenda.

The Bolivian president said it was an honor and a great satisfaction to be in Asuncion.

"I think this will be a historic visit. We will achieve many things, and we will reach agreements that will be remembered for a long time," Sanchez said after the protocol ceremony and still on the landing strip.

Regarding the agenda's main issues, Sanchez de Lozada said the two presidents will talk about the sale of Bolivian gas to our country and full integration through a paved highway crossing Paraguay's Chaco region, "creating a single heart for the entire continent." [passage omitted]

Wasmosy To Be Out of Town During Peasant March

PY1403195794 Asuncion ULTIMA HORA in Spanish 14 Mar 94 p 7

[Text] President Juan Carlos Wasmosy will not be in Asuncion tomorrow, during the great march against the farm sector policy, which is being sponsored by peasant organizations.

Wasmosy, accompanied by Bolivian President Gonzalo Sanchez de Lozada, will visit the Itaipu hydroelectric dam at 0700 and visit Brazilian towns until the afternoon.

Peasant organization leaders say Wasmosy's attitude shows he has no vision of the real magnitude of the current conflict and that he lacks the political will to give structural solutions to the problem of land and the sale of cotton.

After visiting Itaipu, Sanchez de Lozada and Wasmosy will lunch in Foz de Iguazu and then visit the Brazilian city of Sao Paulo to dedicate a sluice in a hydroelectric power plant in Tiete River. For this reason he will not see the peasant protest.

Agitators in Congress?

Chamber of Deputies President Francisco Jose de Vargas has said he is aware that some people have been hired to cause disturbances outside Congress during the peasant march.

Interior Ministry Communique on Demonstration

PY1403192494 Asuncion ULTIMA HORA in Spanish 14 Mar 94 p 2

[Text] The Interior Ministry this morning issued a communique, addressed to the public, on the events scheduled for 15 March.

The communique notes that in view of the various demonstrations by various sectors of society, the authorities responsible for domestic security and public order report—in keeping with the people's constitutional rights and guarantees—that they will guarantee the people's right to peacefully meet and demonstrate.

The communique also points out that the deployment of police patrols during these demonstrations will serve to protect the demonstrators and others who have nothing to do with the demonstration and will prevent acts of vandalism against public and private interests.

The communique ends by reminding those participating in the demonstrations that they must act within the limits established by their rights and prerogatives, without violating the rights of third parties and that the sponsors of these demonstrations are responsible for the development and outcome of the demonstration and the collective attitude of those participating.

Peru

Fujimori Supports Colombia's Gaviria for OAS Secretary General

PY1403173794 Madrid EFE in Spanish 1512 GMT 14 Mar 94

[Text] Quito, 14 Mar (EFE)—Peruvian President Alberto Fujimori supports the candidacy of his Colombian counterpart Cesar Gaviria for OAS secretary general because he always bets "on a winner."

In an interview published today in the Ecuadoran newspaper EL TELEGRAFO, Fujimori said: "We are promoting this candidacy. I bet on a winner and I hope Cesar Gaviria will win."

The Peruvian president added: "I have always been very clear on this issue. We have expressed our clear position of total support for President Gaviria."

Fujimori announced that his government is negotiating Peru's reintegration into the Andean Pact, which it abandoned in 1992. The Andean Pact comprises Colombia, Venezuela, Bolivia, and Ecuador.

Fujimori added: "This is a period of transition, of readjustment. I am sure the Andean Pact will continue and be strengthened with the reintegration of Peru."

The Peruvian president noted that he is not campaigning for reelection.

Fujimori said: "I do not want to talk about becoming a candidate. Of course, the (new) Constitution invites me, the people have invited me, but I have yet to decide."

Article Says Shining Path Second Congress 'Frustrated'

PY1103204394 Lima CARETAS in Spanish 3 Mar 94 p 21

[From the "Undercurrent Section"]

[Text] The much heralded Second National Congress of the Communist Party-Shining Path, which was announced for March with government cooperation, is being frustrated by discrepancies between imprisoned Shining Path militants over Abimael Guzman's peace negotiations. This change of mind was visible 15 days ago at the Canto Grande Prison when a group of inmates started to shout "Viva the armed struggle and the Gonzalo [Abimael Guzman] Thought," instead of singing the national anthem, which was apparently something they had agreed to do. This disagreement in the negotiating line seems to have been started by Victor Catano, an important military commander imprisoned in Yanamayo, and none other than Maritza Garrido Lecca, another inmate. It was then that the imprisoned Shining Path leaders began to demand a Second Congress to discuss the bases for negotiating with the government. Faced with these revelations and discouraged by Guzman's confession that the peace process would only be a "strategic and momentary withdrawal" (LA REPUBLICA 25 Jan 94), President Alberto Fujimori changed his mind and now says the event obviously cannot be carried out without his consent.

MRTA Communications Center Dismantled in Trujillo

PY1403153694 Madrid EFE in Spanish 2132 GMT 13 Mar 94

[Text] Lima, 13 Mar (EFE)—It was announced today, 13 March, that Counterterrorism Directorate [Dincote] personnel dismantled a Tupac Amaru Revolutionary Movement (MRTA) communications center in Trujillo, 570 km north of Lima.

Citing sources close to Dincote, the Lima press reports that Dincote troops have seized powerful radio transmitters and modern communications equipment used by MRTA leaders in Trujillo to communicate with their subordinates in the tropical forest region of Upper Huallaga.

This operation, which took place some days ago and culminated with the raid on the center, is another harsh blow to the MRTA. The terrorist group received yet another setback this past week in the same northern city—the capital of La Libertad Department—when six MRTA leaders, including an Italian woman, were arrested.

The sources state that the communications center was frequently visited by Nestor Serpa Cartolini, alias "Evaristo," the current top MRTA leader following the arrest of Victor Polay in May 1992.

Serpa apparently just missed being captured—he was at the communications center just before the operation was mounted. No arrests were made during the raid.

The Dincote report states that one of the two vehicles seized when the six MRTA members were caught belongs to Serpa.

Lima EL COMERCIO today reports that the Italian citizen—a member of the MRTA who lived with a terrorist called "Perseo"—has been identified as Maria Gabriela Geronino or Gabriela Guarino, allegedly a journalist.

In another operation, four Shining Path members were captured in the Province of Cajabamba, in the northern department of Cajamarca.

The sources report that the MRTA has been practically mopped up, although there are still some scattered pockets that Serpa is trying to reorganize.

At Least Six Injured in Car Bomb Blast in Lima

PY1403162894 Madrid EFE in Spanish 0302 GMT 14 Mar 94

[Excerpt] Lima, 13 Mar (EFE)—Police sources have reported that at least six people were injured and property was extensively damaged by a car bomb that was detonated today by terrorists near a Peruvian police station in Santa Clara District to the east of Lima.

The sources stated that the injured are civilian pedestrians who happened to be near the site. The sources added that part of a wall surrounding the police station was destroyed.

A Health Ministry post, houses, and commercial centers within a 200 meter radius were seriously damaged.

Eight people who allegedly participated in the attack were detained in a dragnet carried out by the police after the explosion.

The sources did not mention if any policemen were injured in the police station of Santa Clara, a rural town 20 km east of Lima.

Newspaper sources pointed out that another terrorist attack was carried out today against a University of San Marcos dentist's office in Lima and that the attack caused minor property damage. [passage omitted]

Additional Attacks

PY1403215694 Madrid EFE in Spanish 1657 GMT 14 Mar 94

[Text] Lima, 14 Mar (EFE)—At least six individuals—five terrorists and one civilian—have died in Peru in the past few hours. Meanwhile, a terrorist offensive hit Lima with various fires and two bomb attacks.

Five terrorists died during a confrontation with the Army at a jungle town in Tarma Province, Peru's central region, at midnight on 12 March.

An Army spokesman said the clash occurred when a column of 25 subversives tried to take over the town of Culebron but was repelled by a military detachment based in the area.

One woman died when a bomb exploded in front of a high-ranking Navy officer's residence in Lima's San Isidro District. The bomb destroyed the building's front and damaged the house of journalist and former Education Minister Patricio Rickets.

Police said four individuals were wounded during the attack, adding that one person is in serious condition.

The terrorist also set afire two supermarkets, a shopping center, and a large store located in the residential districts of Jesus Maria, Miraflores, San Borja, and San Isidro.

In order to carry out their attacks the terrorists entered the shops during working hours and "sowed" fire bombs with timing devices inside the buildings. According to police, the bombs exploded almost simultaneously the night of 13 March.

The most spectacular fire occurred at the SAGA [local department store chain that serves as a representative for Sears products] shop's main offices in San Isidro, where a military force that guards Lima's financial center is based.

The fire, however, only affected the shop's second floor. The shop owners said the center will reopen this week.

The most spectacular bomb attack occurred in Santa Clara, on the outskirts of Lima, where terrorists detonated a car bomb that destroyed the local police station's coffee shop and left many people slightly injured.

The explosion also affected some 20 houses and a medical center near the police station.

Police think the extremist group Red Path [Sendero Rojo], a Shining Path dissident group, is responsible for the attacks. The Red Path rejects peace talks between the imprisoned Shining Path leadership and the government.

The dissident Maoists prefer incendiary attacks because the risk to them is minimal, a police spokesman said.

The Red Path claimed responsibility for two other incendiary attacks last month. One of the attacks was against the Army-owned "Metro" supermarket, and the other was against the El Callao naval base where Shining Path leader Abimael Guzman is serving his life sentence.

The same group also claimed responsibility for a car bomb that seriously damaged the Air Force General Barracks on 8 February.

Roundup of Insurgent Activities

PY1203015994

[Editorial Report] The following is a compilation of reports on insurgent activities in Peru compiled from Peruvian papers monitored through 3 March.

On 24 February the National Police presented to the press 23 Shining Path "terrorists" who operated in several provinces of Ancash Department. They had perpetrated nearly 50 attacks and selective crimes against civilian authorities over the past few months. They were arrested after a thorough investigation conducted over six months by authorities in the many shantytowns of Callejon de Huaylas and Conchucos, and in the Lima provinces of Huaura and Barranca. The forces seized a large amount of explosives, weapons,

subversive propaganda, and maps of various public buildings used in attacking civilian authorities in Chavin Region. (Lima EXPRESO in Spanish 25 Feb 94 p A14)

Lambayeque Superior Court "faceless" judges cleared physician Victor Echeandia Arellano, lawyer Victor Ciguena Campos, and six teachers of the charge of terrorism after they had served 14 months in prison. They had been "erroneously accused of involvement in terrorist activities." (Lima EXPRESO in Spanish 25 Feb 94 p A14)

Army personnel have arrested four Tupac Amaru Revolutionary Movement members operating in Paucartambo valley and Chanchamayo Province, Junin Department. They were identified as Juan Quispe Rojas, 28; Celestino Llantoy Duran, 27; Cesar Boza Ccoya, 24; and Victor Pardo Vivanco, 24. (Lima EL COMERCIO in Spanish 26 Feb 94 p A14)

On 2 March 30 Shining Path "terrorists" surrendered to the military authorities at the Tingo Maria countersubversive base. Commander Juan Rivas said that 60 "terrorists" had surrendered under the repentance law over the past 72 hours, and that 1,100 "terrorists," most of them members of the Shining Path organization, had surrendered in the first quarter of 1994. Among the repentants had been "top leaders" in the subversive organization in Upper Huallaga, according to Rivas. (Lima LA REPUBLICA in Spanish 3 Mar 94 pp 16-17)

Army Denounces 'Smear' Campaign Against It

PY1403230594 Madrid EFE in Spanish 1903 GMT 14 Mar 94

[Text] Lima, 14 Mar (EFE)—The Lima newspaper LA REPUBLICA reported today that the Peruvian Army has denounced a smear campaign using all "national and international media in an improper exercise of freedom of the press."

According to a document sent to this newspaper entitled "Disloyalty, Immorality, and Corruption Do Not Exist in the Peruvian Army," the military said the institution is being presented "as a systematic violator of human rights, in collusion with drug trafficking gangs, and as an institution with internal problems."

The military also says 1994 "will be a very difficult year from a social and political point of view because it is a pre-electoral year. We cannot rule out the possibility that the propaganda campaign to smear the Army will intensify even more starting in the second half of 1994," the document says.

The latest issue of the weekly magazine SI that hit the stands today denounces that the political military command in Northern Huallaga Valley in 1992 "ordered an operation to cover up the activities of drug traffickers that resulted in the death of eight civilians and a complicated trial in military courts."

The publication says that on 29 October 1992 a military patrol intercepted eight individuals, two of them Colombians, transporting 150 kg of cocaine paste. According to SI, the drug traffickers offered $30,000 to pass. However, the next day the eight individuals were found dead and the drugs had disappeared.

The magazine says the case was later presented as an anti-subversive operation or a settling of accounts between drug traffickers and terrorists. Military justice is looking into the matter.

New Drug Policy Requirement Viewed

PY1103185094 Lima LA REPUBLICA in Spanish 23 Feb 94 p 19

[Article by Roger Rumrrill]

[Text] Judging by results, there is no reason whatsoever—no economic, political, or social argument—for continuing the antidrug policy implemented in October 1990 as part of the so-called "Fujimori Doctrine."

Except for the official definition that coca growers are farmers who work within the informal sector—an expression coined by General Alberto Arciniega Huby in 1989 and subsequently taken up by Hernando de Soto [chairman of the Freedom and Democracy Institute] when he classified these peasants as valid interlocutors—the balance of the struggle against drug trafficking is lamentable. If there were 5,000 hectares of coca plantations in the Huallaga Valley back in 1970 when the cycle started, there are now 300,000 hectares in the departments of the Amazon region—Loreto, San Martin, Madre de Dios, and Ucayali.

Thus, one of the main objectives of the drug enforcement policy—namely, the reduction of coca plantations—has not been attained, nor has the goal to control and check the export of drugs. Official sources show that only 9,461.43 kilograms of drugs were seized in 1993. These 9 metric tons represent less than 1 percent of all drugs processed in Peru.

The control of money laundering, the clean-up of drug kingpins—the cartel leaders—and the war against corruption throughout the government and society, leaves much to be desired. The "Vaticano" case has laid bare a Peruvian society racked by corruption.

Explaining the reasons behind the change in the U.S. drug enforcement policy—which now emphasizes better control on demand, the rehabilitation of addicts, education, and prevention—President Clinton pointed out that the six-year "War on Drugs" has cost the American people $56 billion and produced hardly any results because the same or other drugs enter the United States and the number of users continues to increase proportionally. Hence the change in outlook and approach.

Given the fact that the Clinton administration has adopted an inward-looking policy, why should we—the

Andean countries—adopt an outward-looking policy? In other words, why should we embark on a crop-substitution policy like the one they just dropped because of its failure?

I believe the centerpiece of a new drug policy in Peru—which should be part of a comprehensive development policy for the Amazon region—must include economic and social considerations. On the one hand, it should ensure that tropical valley producers—where coca and poppies are farmed—recover their productive capacity, which was nearly destroyed by an overly free trade policy (flexible surtaxes are not enough to check unfair and abusive competition by foreign countries) and by the closure of the Agrarian Bank; that is, via a system of credits for the agricultural sector.

Only 10 percent of credit requirements in the Amazon region are at present met by Fondeagros [expansion unknown] and other mechanisms. The situation in the rest of the country is most probably the same.

On the other hand, the organization of agricultural producers into agro-businesses should be given top priority in the social area. The entrenched shortcomings of the present marketing mechanisms (calling it a system is out of the question) rob agricultural producers of nearly 40 percent of their returns or earnings. Given this state of affairs, it is impossible to talk about streamlining agriculture through the incorporation of leading-edge technology geared to stepping up production, to diversifying crops, and to promoting agro-industries. Modernizing Peruvian agriculture first requires the elimination of the middlemen—who many times are totally unnecessary—so that producers may recover that 40 percent.

The establishment of new agro-businesses is of the utmost importance to achieve two immediate ends in the new drug policy: To negotiate with the European Union, the United States, and Japan the sale of our tropical products, and to enable these organizations to create a new sustainable productive pattern in the Amazon region through the development of administration projects and the sensible use of tropical biodiversity.

While the first priority for the United States is now to combat drug use, for Peru it is to combat production. This should not be a military fight; it should be economic, social, and political.

I believe it is time the struggle against drug trafficking in Peru was demilitarized. There are several reasons for this: The ability of drug trafficking to corrupt others is immense, and the militarization of drug enforcement has failed. The results of this are there for everybody to see and the role of the military is relegated to other spheres within the new strategy.

The argument for militarizing the struggle against trafficking through the Internal Operations Front Command (Cofi) may have something to do with the relationship between political subversion and drug trafficking. But this argument is no longer valid in 1994.

This change in approach and new strategy should lead to a change in Peru's antinarcotics legislation, commencing with Act No. 22095 enacted in 1978 during Moralez Bermudez's administration, as it is interdictory legislation against coca from a doctrinal standpoint.

As a government campaign to enhance the value of coca—implemented through the Enaco [National Coca Enterprise]—the Foreign Ministry and the peasants should be the hub of this new campaign. We have unfortunately lost a precious ally in this field, Bolivia, which embarked on the impossible mission of eradicating coca crops in an operation whose results will surely be reflected in its name—the Zero Option. Of course it is necessary to create the necessary mechanisms and civilian institutions to make this new drug policy feasible one in our country. Control mechanisms should, at the same time, be enhanced. Three Tucano planes flying off into the immensity of the Amazon skies are like three swallows not making a summer.

Survey Notes Perez de Cuellar Leading Presidential Race

PY1503003694 Madrid EFE in Spanish 1859 GMT 14 Mar 94

[Text] A study by the company Imasen [Image and Market Sociology] released today shows that former UN Secretary General Javier Perez de Cuellar leads voters' preferences for president of the Republic by 45.2 percent to 43.4 percent, which represents support for President Alberto Fujimori.

The survey refers to figures obtained during the first week in March and recalls that last January, Perez de Cuellar and Fujimori were tied with 43.1 percent each.

The survey was conducted after the sale of Telefonica Peruana and Entel Peru [National Telecommunications Enterprise of Peru] to Telefonica de Espana for a total of $2.002 billion, which was considered an economic success for Fujimori's government.

It must be noted that Perez de Cuellar has been reluctant to accept his possible candidacy for the presidency despite Imasen results showing that he has more than 45 percent support.

The same survey shows that if Fujimori runs against Lima Mayor Ricardo Belmont he would obtain 49.6 percent of the votes against 31.3 percent for Belmont, who obtained 1.3 percent more than in a previous survey.

Legislators Fernando Olivera and Enrique Chirinos have said that if Fujimori runs for reelection, as authorized by the 1993 Constitution, he must resign his post six months before, according to Olivera, and four months before, according to Chirinos.

Nuclear Energy Institute Executive Director Interviewed

PY1303011594 Lima EL PERUANO in Spanish
2 Mar 94 pp B6, B7

["Highlights" of interview with Conrado Seminario, executive director of the Peruvian Institute of Nuclear Energy, IPEN, by Iris Alegria C.; place and date not given]

[Text] [Alegria] Dr. Seminario, what are the main projects being developed by IPEN?

[Seminario] Our institute is doing two kinds of investigations. First, we have the projects for the development of applied technologies, which provide for various techniques for testing several materials. These investigations are being made at the Nuclear Research Center of Peru.

[Alegria] How are those projects financed?

[Seminario] Financing comes from the International Atomic Energy Agency (IAEA), while IPEN professionals participate in the development of projects. The duration of the projects is generally two to three years.

[Alegria] What are the applications of that research?

[Seminario] It is very important to emphasize that the work has biomedical, agricultural, and industrial uses. The results provide techniques that can be used by economic agents in general, and are a clear example of the transfer of technology.

[Alegria] What other type of research is IPEN doing?

[Seminario] There are other projects, with various objectives. Among them is the project for food irradiation technology, in which we are receiving international technical cooperation.

[Alegria] Is IAEA cooperating in this project?

[Seminario] Right. IAEA has provided the equipment, which consists of a source of cobalt 60 (a material that emits gamma radiation) and the electromechanical part. The equipment, worth $1.5 million, is about to arrive in Peru.

[Alegria] When will project operations start?

[Seminario] We are now building a special facility—60 percent of the construction has already been completed—that is necessary for the installation of the equipment. We estimate that construction will end in four months.

[Alegria] And when will the plant begin operating?

[Seminario] By the end of the year, because installation of the equipment will take four months. Russian technicians will come for this purpose. It will then be possible to use gamma rays for food preservation.

[Alegria] What will be the specific applications of the project?

[Seminario] The plant will have two main uses. First, it will serve to extend the shelf life of food by inhibiting deterioration (thus permitting transportation and exportation of food). On the other hand, it will be used for the decontamination of vegetables (eliminating microorganisms, fungi, and bacteria).

I want to emphasize that this plant will also serve to exhibit the technology of the field and prove the profitability of nuclear activities. There are many privately owned plants like this around the world.

[Alegria] What will be the main economic repercussions of this project?

[Seminario] This technology will permit major progress in the manipulation of food, and this will expand the supply of exportable farm products.

This technique has actually been used, at a laboratory level, for the past four years. Unfortunately, the scale at which we can operate is limited because of the small size of our equipment.

[Alegria] What specific work has been done?

[Seminario] For example, decontamination of carmine dye for export. As you know, this product is obtained from an insect (cochineal), which is found in tuna. The insect has some "natural" contamination that has to be eliminated in order to accest international markets.

We have also treated lucuma [local Peruvian tree] flour, cacao, and even murex capsules.

[Alegria] That is, relations with the private sector have already been established...

[Seminario] Right, and they are quite good. Our facilities are also used by the chemical and pharmaceutical industries for the preservation of raw materials (which are very sensitive), and for the sterilization of products for surgical use.

Nuclear sterilization (or radio sterilization) has great potential, because this method is more advantageous than the others. There are currently more than 150 nuclear plants providing this service throughout the world.

[Alegria] Is irradiation for preserving food also widely accepted?

[Seminario] Of course. In 1983 a special committee consisting of FAO, WHO, and IAEA specialists recommended this for the preservation of food. From that time on, every country has been studying specific cases to establish its own dosages.

[Alegria] IPEN recently signed several agreements with Concytec [National Science and Technology Council]. Are any of the agreements related to food preservation?

[Seminario] Yes. We believe this technology can provide concrete solutions to the country's food problem. The current loss of harvested food is over 30 percent, and this percentage could be reduced by nuclear irradiation.

We should understand that it is more difficult to create new agricultural zones than to prevent part of the harvested food from being lost. We are talking about practical solutions. For example, in the case of fish, the irradiation technology can be applied as a complement to other conservation techniques to ease transportation.

[Alegria] What will the agreement with Concytec consist of?

[Seminario] It will serve to complete the laboratory equipment, and to carry out the research, development, and dissemination of the project.

[Alegria] What is the professional level of the people working in the IPEN?

[Seminario] Two training programs have been carried out since the institution was created. The first was carried out in this country, and the second involved a training period in Argentina.

We had a full staff in 1988, and from that time the training has been constant. We have given master's degree courses at Peruvian universities. Agreements have been signed with the Engineering and San Marcos Universities for the implementation of postgraduate courses in nuclear engineering and nuclear chemistry.

In sum, I can say that our capability and experience put us in a good position within the Latin American context.

[Alegria] What is the importance of science and technology at the international level?

[Seminario] Very important. The UN Development Program (UNDP) has adopted the issue of scientific and technological progress and the modernization of the productive sector as one of the priority issues for the 1992-1996 period.

This issue was adopted as a result of concerted action by Latin American countries, which have recognized the urgent need to develop their own science and technology, to increase production and competition and to reach the levels of the developed countries.

[Alegria] Finally, what are the prospects for the use of nuclear energy in industry?

[Seminario] Since nuclear fission was discovered 50 years ago, the application to industry of the energy liberated by this process is so large that there is no area of the technological field that has not been experimented with. Its application has therefore benefited man at the industrial level.

LA REPUBLICA To Cover Local News in New Regional Editions

PY1303003994

[Editorial Report] Lima LA REPUBLICA in Spanish on 2 March publishes on page 8 a 400-word article by special correspondent Monica Vecco in Trujillo. The article notes that a high-level delegation from LA REPUBLICA Publishing House Inc. visited Trujillo to oversee the progress of a project to create regional satellite editions of the newspapers LA REPUBLICA and EL POPULAR, scheduled to go into circulation within 60 days.

Vecco reports that this project, which carries a cost of $250,000, envisages the establishment of LA REPUBLICA regional branches in Trujillo, Chiclayo, and Piura which, while having "total technological and news support from Lima," will hire local manpower and cover local news to cater to an increasing readership. The newspapers will be printed in Chiclayo, but there will be editorial offices in each city.

Uruguay

Lacalle Calls Clinton Call for Summit 'Important'

PY1503025194 Montevideo Radio Carve in Spanish 0000 GMT 15 Mar 94

[Text] The government will invite all organized groups—that eventually will be involved in an integration process in view of the hemispheric summit—to meet after Easter.

President Luis Alberto Lacalle, on his return to the country, commented on Bill Clinton's call for a presidential meeting in Miami in December. Lacalle said the U.S. president did not just say: I invite you to attend. He said instead: We should work together in the period between the time you receive this letter and December to make sure that the summit's agenda will be enriching and productive.

Lacalle understands that Clinton's suggestion is important. Countries must join arms; nations must meet more than governments; public and private groups from different countries must start working together. For instance, commercial chambers, educators, and cultural associations should start working together. In this manner the summit will be the end of a process where groups from different levels, where intermediate associations have had a say.

[Begin Lacalle recording] The meeting will be difficult but the result will be much more productive. A presidential meeting is always important, but everything there is concentrated in a declaration where each president explains his opinion. But if this contact is enriched, as President Clinton says, by different group meetings—we must agree at what level we begin, although we have suggestions—I think it will be easier to understand each

other. The presidents then will reach more constructive conclusions. This was what dominated our talks, together with the issue of relations between Mercosur [Common Market of the South] and NAFTA, which President Clinton is following carefully. [end recording]

Venezuela

Presidency Ministry Reorganizes, Cuts Spending

PA1403225594 Caracas Venezolana de Television Network in Spanish 1550 GMT 10 Mar 94

[From "The News" newscast]

[Text] As part of the austerity program that the Executive Branch announced, a 15 percent spending cut has been approved for the Ministry of the Secretariat of the Presidency; this cut represents some 205 million bolivares. Presidency Minister Andres Caldera Pietri said that the austerity program began on inaugural day because the 50 million [currency not specified] earmarked for the inauguration were not spent. The objectives of this reorganization are to modernize and revamp the secretariat as an organization that will help the head of state do his work, to increase the efficiency of government expenditures, to fully utilize management control systems, and to restructure most functional areas.

After an arduous analysis, it was concluded that the best thing to do was to eliminate the Ministry of the Secretariat of the Presidency altogether and change it once more to the Secretariat General of the Presidency, as it used to be before the Public Administration Basic Law was reformed in 1976.

[Begin Caldera recording] We decided to decrease the fleet of vehicles serving the Presidency Secretariat by 50 percent, thus reducing insurance costs as well as expenses on spare parts, repairs, and so on. During the first month of the current administration the Presidency Secretariat decreased its fuel costs by 43.3 percent, per diem and travel expenses by 43.7 percent, office equipment expenses by 46.3 percent, kitchen and butler service expenses by 26.8 percent, and newspaper and magazine expenses by 77 percent. In addition, the number of telephone lines with access to international and national long distance calls was decreased by 62 and 30 percent, respectively. These cuts will undoubtedly cause reductions in telephone bills.

The second part, which is essential to this reorganization, will consist of reassignments at 14 institutions that are under the Presidency Secretariat. They make the administration more burdensome, and their work is unrelated to that of the secretariat's. Some of these institutions will be reassigned to organizations whose activities are more related to the works of said institutions. This will be achieved by amending the law, as is the case with autonomous institutions, and by issuing presidential decrees in meetings with the Council of Ministers, as is the case with foundations. [end recording]

Minister Caldera announced that from now on, the Miraflores Bicentennial Square will be open to the public on Sundays. There will be entertainment for children in the mornings and concerts for adults in the afternoons.

Colombians Deny Change in Trade Policy After Elections

PA1403131494 Caracas ECONOMIA HOY in Spanish 10 Mar 94 p 22

[Report by Taynem Hernandez]

[Text] Yesterday, Colombian Ambassador to Venezuela Alberto Casas Santamaria denied relations between the two countries would change after the Colombian presidential elections or as a result of President Rafael Caldera's policies. The diplomat, who participated in a news conference held by the Colombian-Venezuelan Integration Chamber to announce the Binational Investors Conference to be held next week in Caracas, said: "The candidates with the best changes have already said they will more or less continue the same policies towards Venezuela."

Colombian presidential elections will be held on 8 May, when the two leading candidates, Ernesto Samper, candidate of the ruling Liberal Party, and Andres Pastrana, candidate for the Conservative Party, will face each other. Meanwhile, parliamentary elections are scheduled for Sunday.

Casas Santamaria said his government is also confident President Caldera will not change Venezuelan policy towards his country, which the president and the finance and foreign ministers have also confirmed. In fact, the ambassador also announced the possibility of a binational ministers' meeting to discuss the border issue, which he called "the most complicated problem in relations between Venezuela and Colombia."

Concerning increased trade between the two countries, Casas Santamaria reaffirmed Colombia's pledge to continue the policies and norms that have encouraged a trade increase, and he appeared optimistic about the possibility that Colombian investments will increase significantly this year compared to 1992. In this regard, members of the Colombian-Venezuelan Integration Chamber estimated that $2 billion will be negotiated this year, which would represent a 25 percent increase compared to 1993, when $1.6 billion were negotiated.

According to business estimates, this increase will be attributable to an increase in oil services and construction trade. Regarding oil services, Colombia is planning an aggressive oil production program which will allow the possibility of investment by Venezuelan companies. Therefore, the investment possibilities in Colombia will diversify. Colombia received $63 million in Venezuelan capital during 1993, primarily used in financial and insurance areas, metal-mechanics, marketing, and the distribution of Venezuelan products in Colombia. Moreover, the Colombian industry injected almost $6 million in Venezuela's computer, lumber, and automobile sectors.

The main objective of the Colombian-Venezuelan Investors Conference will be to evaluate the results of two years of integration, as of this month, and to study new investment opportunities in the two countries, particularly joint ventures in some binational projects.